

FLAGSTAFF, ARIZONA

2007



## Investing in the Quality of Flagstaff's Future

**City of Flagstaff  
Annual Budget  
and Financial Plan**

**2006-2007**

# *Annual Budget and Financial Plan*

Fiscal Year 2006-2007  
City of Flagstaff, Arizona

## **CITY COUNCIL**

Joseph C. Donaldson, Mayor  
Scott Overton, Vice-Mayor  
Karen K. Cooper  
Joseph P. Haughey  
Kara M. Kelty  
Rick Swanson  
Al White



## **BUDGET TEAM**

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Jeri Dustir, Deputy City Manager  
James S. Wine, Deputy City Manager  
Mary Jo Jenkins, Management Services Director  
Barbara Goodrich, Budget and Finance Manager  
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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Flagstaff  
Arizona**

For the Fiscal Year Beginning

**July 1, 2005**

Handwritten signature of Carla E. Perry in cursive.

President

Handwritten signature of Jeffrey R. Enos in cursive.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Flagstaff, Arizona for its annual budget for the fiscal year beginning July 1, 2005. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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**CITY OF FLAGSTAFF, ARIZONA  
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CROSS REFERENCE INDEX IN DIVISON NUMBER ORDER**

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## USERS GUIDE

The budget document serves a myriad of purposes. Most important is its use as a communications device. The budget presents the public an opportunity to review the types of services and level of service provided within the financial constraints of the community. The allocation of financial resources translates into what services will be provided to the community. As community needs and demands for service change, the allocation of resources should respond accordingly. Therefore, this document attempts to communicate financial information to allow for informed citizenry.

**Transmittal** - The City Manager's message and Budget Summary provides readers with a synopsis of the resource allocation priorities established by the City Council for fiscal year 2007.

**Budget Overview** - The overview provides an overview of the key policy issues, priorities and strategies which shaped the fiscal year 2007 budget, the budget process fiscal policies, revenue assumptions, and expenditure highlights.

**Policies and Procedures** – This section provides information on fiscal and budget policies as it related to certain funds, debt performance, fund balances, expenditure limitation control, revenues, operating budget impact, and capital investments.

**Issues and Updates** - Excerpts from the Council Review and Discussion Book used during the two weeks of study sessions discuss specific Council decision/directions impacting the prior and current fiscal year budgets.

**Financial Summaries** - The schedules consolidate the major financial information and operating data elements. Several schedules also serve to meet state statutory reporting requirements. The expenditure summaries are used primarily for operational purposes, e.g., monitoring expenditures at a fund level and at a category level, and maintaining accountability at a department level, with managers accountable at the cost center level.

**Department Detail** - Each operating Division Summary provides a description, goals and objectives, major accomplishments of fiscal year 2006, performance indicators, expenditure history and budget, commentary on significant changes, and sources of funding.

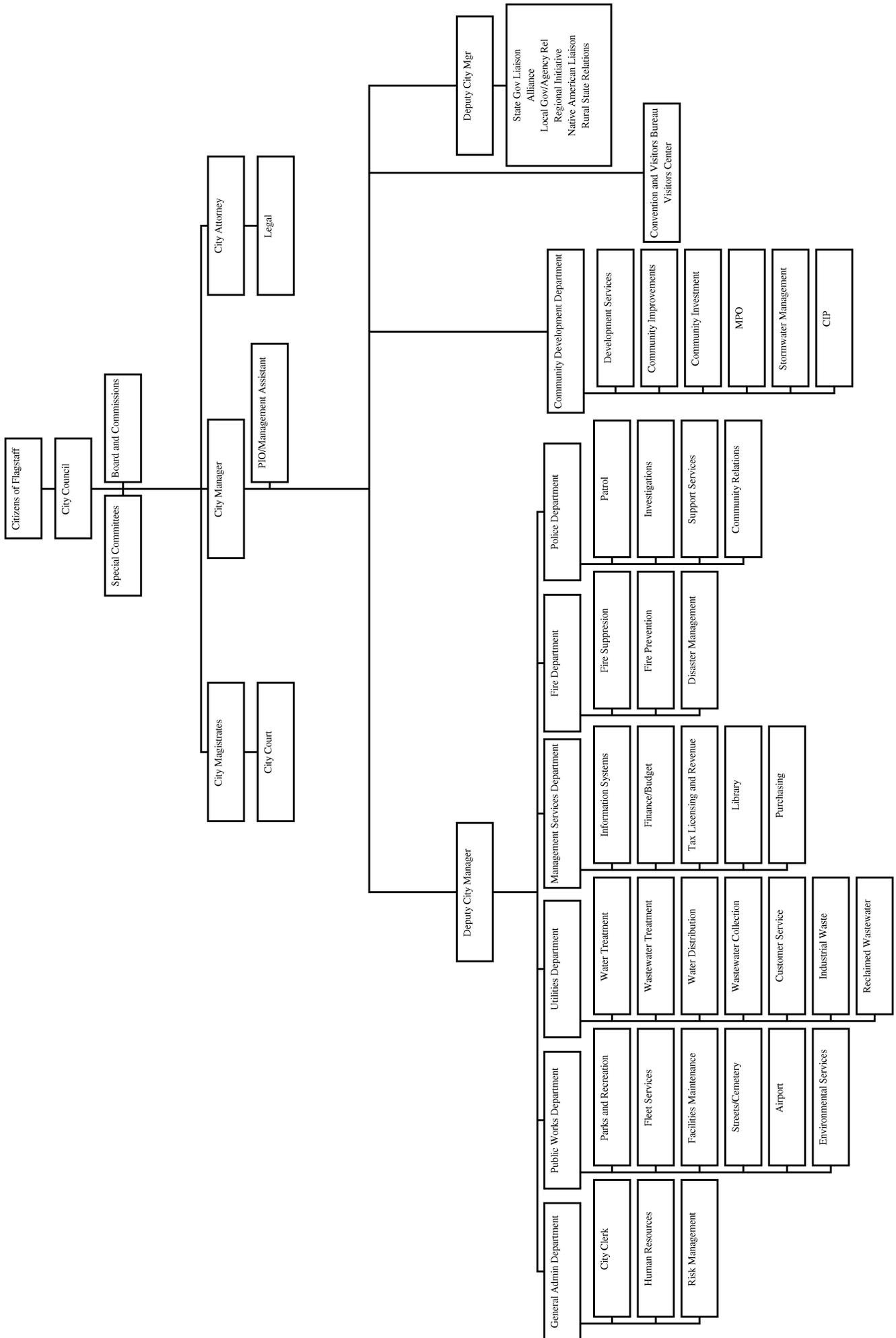
**Capital Improvements** - The current year portion of the five-year capital improvement program is listed, along with location maps and funding source. A more detailed project-planning sheet is available in the separately published five-year Capital Budget and Capital Improvement Plan.

**Community Profile** - The profile provides background information so that the budget can be viewed in the context of the factors that shape and affect budget decisions, priorities, and financial parameters within which the community operates. Also provided are select statistical tables providing historical trend information on tax rates, expenditures, and assessed valuations of property.

**Appendix** - In the appendices the user will find a glossary of budget terminology, ordinances/resolutions adopting the levies and budget, a summary of authorized personnel/positions by department, the city pay plan, and a summary of the cost allocation basis.

For additional information, please call the Finance and Budget Office directly at (928) 774-5281 extension 3201. This budget document may also be viewed on the City of Flagstaff website, [www.flagstaff.az.gov](http://www.flagstaff.az.gov), in Adobe Acrobat format.

# City of Flagstaff



# City Council

## CITY COUNCIL GOALS

### ECONOMIC DEVELOPMENT

GOAL: Maintain and strengthen Flagstaff as a regional center for retail, employment and hospitality, while enhancing the quality of life for our residents through technology and innovation and the attraction of employers who pay livable wages.

### FISCAL HEALTH

GOAL: Maintain written policies to provide for a balanced budget that meets a vast array of community needs, to ensure that resources are available to meet future needs and allow for community infrastructure to be maintained at adequate levels and other sound financial practices that maintain the fiscal health of the organization.

### PUBLIC SAFETY

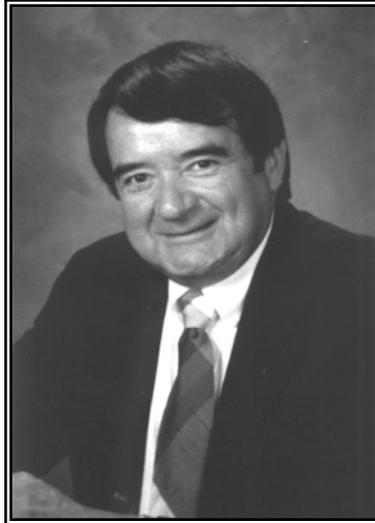
GOAL: To promote and maintain a safe community through integrated public safety systems that addresses the underlying issues affecting public safety, health and quality of life.

### AFFORDABLE HOUSING

GOAL: To insure that a variety of housing opportunities are available to a diverse population, especially those requiring entry level housing.

### PLANNING FOR GROWTH

GOAL: To shape growth, with the involvement of the community, in a manner that protects and preserves our region's natural environment, livability and sense of community.



## Mayor Joseph Donaldson

Mayor Joseph Donaldson was first elected as Mayor of Flagstaff in May of 2000 and was successfully re-elected in 2002, 2004 and 2006. Mayor Donaldson holds leadership positions, or is a member, of 20 local, state, and national organizations including: Vice-Chairman of the National League of Cities, Transportation Infrastructure Services Steering Committee; Chairman of the Subcommittee on Zoning and Implementation of the Arizona Forest Health Oversight Council; and the Northern Arizona Municipal Water Users Association. Prior to becoming elected as mayor, Donaldson was a Safeway Store manager for 38 years where he excelled in his commitment to customer service. He has brought that same commitment to City government. Mayor Donaldson is a 55-year resident of Flagstaff and was recognized as Flagstaff's Citizen of the Year in 1997 and has been voted Best Elected Local Official in 2002, 2003 and 2004.

## Vice-Mayor Scott Overton

Vice-Mayor Scott Overton was elected to the Flagstaff City Council in May 2006. He is a Flagstaff native and graduate of Sinagua High School and Northern Arizona University. His leadership role is based on a solid foundation of experiences as a small business owner and an instructor in the Flagstaff Unified School district teaching career and technical education courses at Flagstaff High School. Vice-Mayor Overton graduated with a Bachelor of Science degree in Industrial Technology Education in 1996 and a Master of Education degree in Educational Leadership in 2002, currently, he operates a small construction company, SR Overton Construction. Vice-Mayor Overton has an interest in providing a reasonable, common sense, working approach in addressing issues and concerns facing the citizens of Flagstaff. He will continue to utilize his personal ethics and professionalism to serve the City of Flagstaff to the best of his ability.



# City Council

## CITY COUNCIL GOALS

### CAPITAL IMPROVEMENT

GOAL: Plan, program, design and construct public works and facilities capital improvements through a structured, efficient and transparent process ensuring scarce public resource expenditure for the greatest benefit to the community; creating a built environment shaped through citizen involvement, reflecting community pride.

### QUALITY OF LIFE

GOAL: To enhance the quality of life of our community, we will assure comprehensive programs that allow for a balance between economic development, resource protection and neighborhood concerns, that include cultural components that cross generational boundaries and strive to create cost effective and pro-active approaches to meet the social, physical and economic needs of our citizenry as we celebrate Flagstaff's heritage, diversity, and vast aesthetic appeal.

### PLANNING FOR GROWTH

GOAL: To shape growth, with the involvement of the community, in a manner that protects and preserves our region's natural environment, livability and sense of community.

### CUSTOMER SERVICE

GOAL: Instill a positive customer service culture throughout the organization and with each employee of the City in the delivery of service both externally and internally.

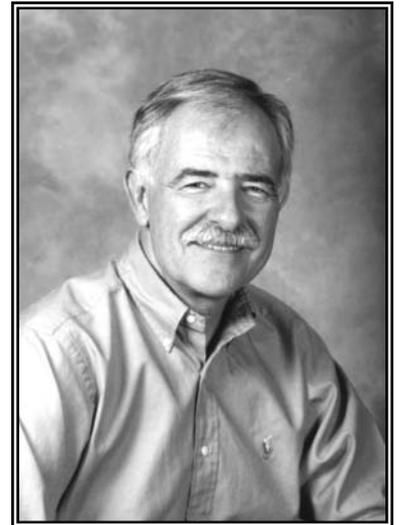
## Councilmember Karen Cooper



Councilmember Karen Cooper was first elected to the Flagstaff City Council in May 2000, served as Vice-Mayor through June 2002, and was re-elected in May 2004. Prior to coming to Flagstaff ten years ago, Councilmember Cooper had significant involvement in local governments in Michigan and Colorado. In Flagstaff she served on the Flagstaff Planning & Zoning Commission and served as its Chairman and Vice-Chairman. She was also a member of the Regional Planning Task Force. As a Councilmember, Cooper serves as the liaison to the P & Z Commission, the Historic Preservation Commission, Library Board, Public Art Advisory Committee, Flagstaff Metropolitan Planning Organization, and the Cocopai Resource and Development Agency. Councilmember Cooper is a retired administrator, community volunteer and currently serves on the Board of the Flagstaff Leadership Program. She attended Duke University and received her degree in Political Science from Aquinas College in Michigan.

## Councilmember Joe Haughey

Councilmember Joe Haughey was elected to the Flagstaff City Council in May 2002 and re-elected in May 2006. He and his daughter Valerie are realtors with Common Goal Realty. In his 28 years in Flagstaff, Councilmember Haughey has been involved in many volunteer organizations. He is a graduate of the Flagstaff Leadership Program, is a Board Member for the Greater Flagstaff Economic Council and with the Flagstaff Metropolitan Planning Organization, is a past Board member of Flagstaff Cultural Partners, and is a certificate holder with the Flagstaff Medical Center. As a Councilmember he serves on the City Traffic and Water Commission. Born in Los Angeles, Councilmember Haughey spent the majority of his youth in Saudi Arabia, Jordan, and Lebanon. He returned to California to finish high school and receive his Bachelor of Science degree from Cal State Los Angeles. A private pilot and an avid outdoorsman, Councilmember Haughey served as a Seabee in the U. S. Navy. He and his wife Liz raised their four children in Flagstaff and they now have 10 grandchildren living in the community.



# City Council

## CITY COUNCIL GOALS

### COLLABORATION

GOAL: Strengthen the community by strengthening partnerships with sovereign nations, public, non-profit and private agencies. Develop collaborative goals, through all levels of the organization, based upon common interests with these agencies to optimize the use of community resources and the delivery of services to the citizens of Flagstaff.

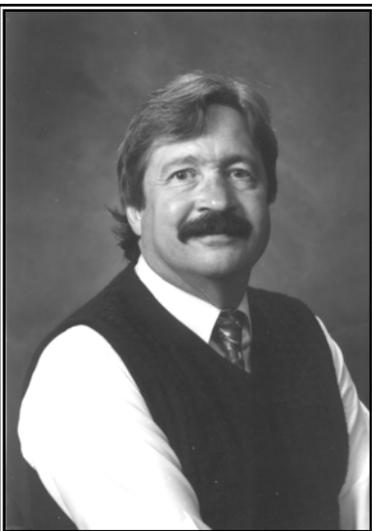


## Councilmember Kara Kelty

Councilmember Kara Kelty was appointed to office in July 2002 and elected to a full term in May 2004. She represents the Council on the Community Housing Policy Task Force, and the Open Spaces Commission. She is currently the Director of "Success by 6" for the United Way of Northern Arizona. Councilmember Kelty has been involved in a variety of civic, youth and professional organizations since moving to Flagstaff ten years ago. A graduate of the Flagstaff Leadership Program, she is also currently a member of the National League of Cities Equity and Opportunity Panel. From 1989 to 1995 Councilmember Kelty held Program Coordinator and Technical Training positions with the Peace Corps in the Philippines and Guatemala. Councilmember Kelty holds a Bachelor of Arts degree in Political Science from the College of the Holy Cross in Worcester, Massachusetts and was awarded her Masters in Education in Counseling: Human Relations from Northern Arizona University. She is married and has two children.

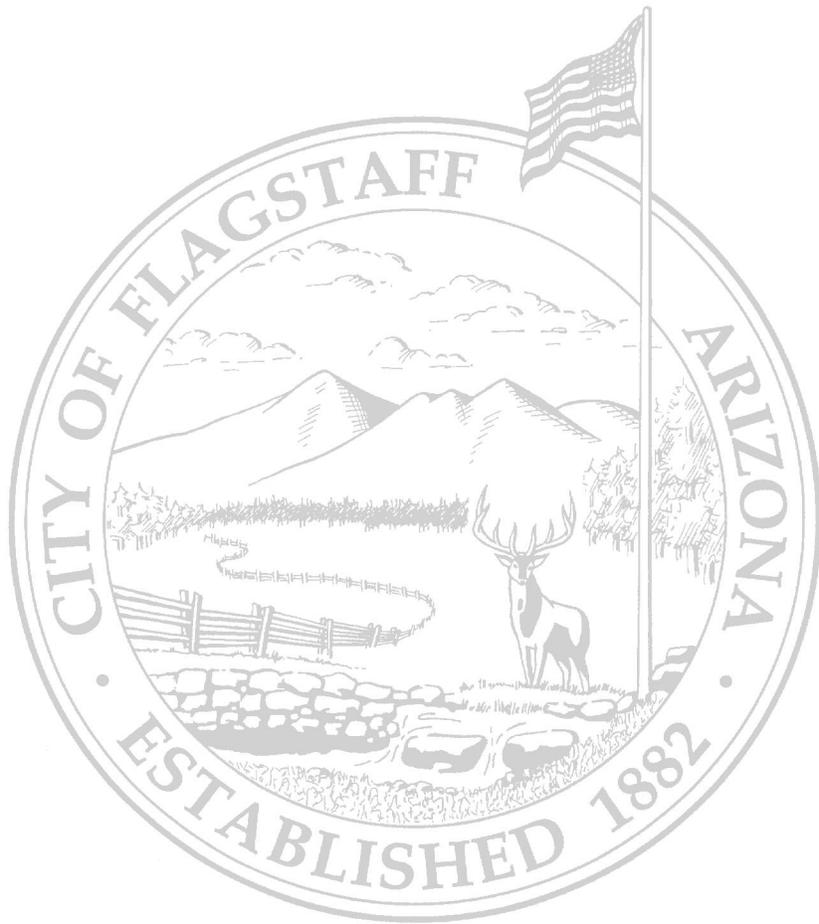
## Councilmember Rick Swanson

Councilmember Rick Swanson was elected to the Flagstaff City Council in May 2006. Councilmember Rick Swanson is the Center Director of the Northern Arizona Area Health Education Center, and he is on the management team at North Country Community Health Center in Flagstaff. He is currently directing a capital campaign to raise \$3 million for a new facility. He was the director of the Northern Arizona Book Festival for the years 2000 through 2003. He has lived in Flagstaff for twenty years, and was recently elected to his second term on the Flagstaff City Council. Rick has worked at a corporation, W.L. Gore and Associates. He has worked at a non-profit organization, North Country Community Health Center. And he once owned a children's bookstore in Flagstaff's historic downtown. He has served on various boards, including the Literacy Volunteers of Coconino County, and the *High Country News*, a newspaper that covers environmental and social issues of the intermountain West.



## Councilmember Al White

Councilmember Al White was first elected to the Flagstaff City Council in May 2000 and re-elected in 2004. He moved to Flagstaff in 1989 from the Grand Canyon where he worked in hotel management for 13 years. His career in the hospitality industry provided Vice-Mayor White a key understanding of tourism issues in Flagstaff. His work in the recycling industry (owner/operator of New World Recycling) also afforded him an opportunity to observe the operation and actions of City government. Before running for City Council, Vice-Mayor White furthered his involvement in his community by becoming the Chairperson of the City's Disability Awareness Commission, holding a special interest in disability issues since he became a paraplegic in 1996. Vice-Mayor White was awarded a Bachelor of Science Degree in Communication Studies from the University of Massachusetts in Amherst, Massachusetts. He currently serves as the Council representative to the Disability Awareness Commission, the Clean & Green Commission, the Tourism Commission, and on the Board for the northern Arizona Business and Technology Incubator. He remains convinced that economic growth does not have to be at the expense of conservation and environmental protection. Finding that blend is his primary concern.





# City of Flagstaff

Honorable Mayor, City Council and Citizens of Flagstaff:

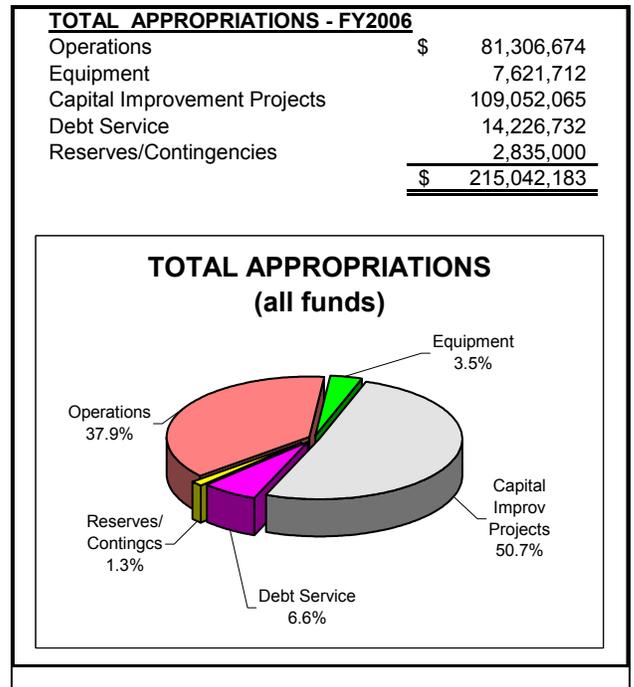
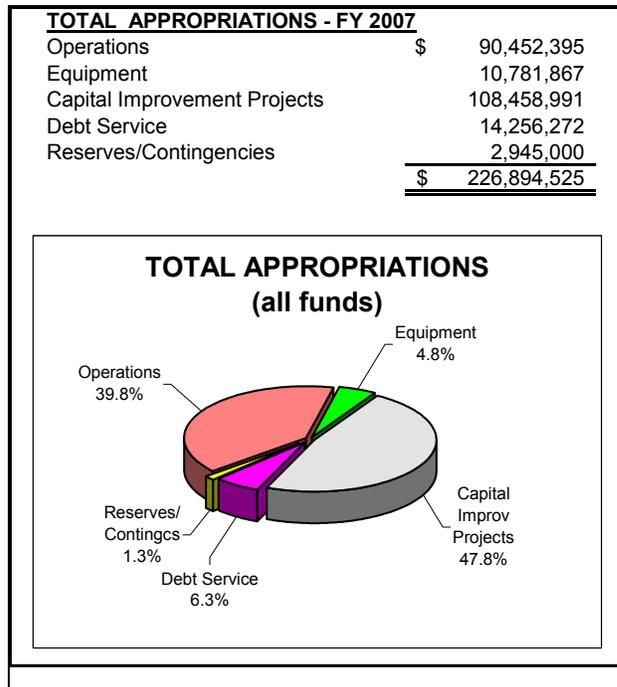
I am honored to complete my fifteenth City budget on behalf of the Citizens of Flagstaff. Carefully planned, controlled expenditures over several years have enabled the City to respond to economic ups and downs. As a result, the City is in excellent financial condition. However, the years ahead will likely see a declining share of stated shared revenue as will be clear within this budget message. Moreover, the State Legislature dealt a blow to this City's fiscal prospects during the most recent legislative session. The indication for the future is to proceed with caution.

During the current fiscal year all City departments examined five-year projected expenditure needs based on anticipated community growth, anticipated service enhancement (primarily in parks and recreation) and responses to emerging issues like affordable work force housing and economic expansion.

Collectively, City departments identified a five-year need for an additional 250 employees. While the anticipated need for 250 additional employees is over a five year period, pent-up need is represented by the submitted FY 2007 requests of 93 new positions. Clearly, the City cannot financially absorb the number of positions desired either in FY 2007 or over the five-year period.

As always seems the case, careful consideration about resource allocation is essential. The proposed FY 2007 budget reflects Council goals and priorities and faces reality about the most critical current needs.

More work is needed on a five-year strategic plan. Therefore, in FY 2007 the City Manager will lead a major initiative to identify clearly the reasons and cost of expressed departmental needs. Projected costs will be refined and information will be presented to the City Council, which will allow for a strategic projection of where resources will need to be allocated within the organization.



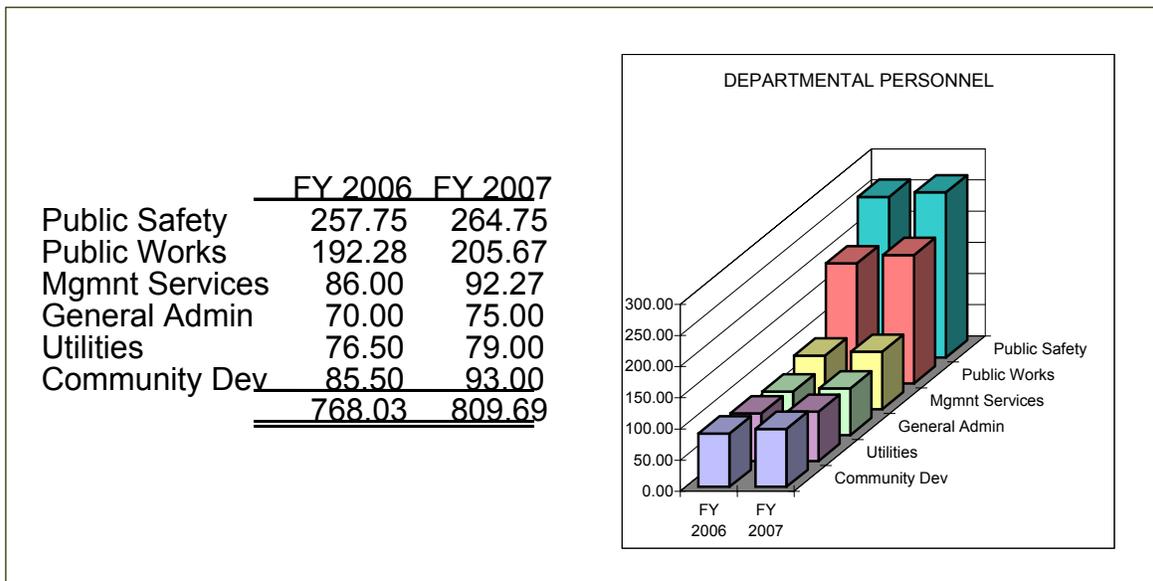
The proposed FY 2007 budget achieves several goals: maintenance of current services; adequate compensation adjustments to maintain relative salary status and continued benefits; strengthening the organization's overextended central services infrastructure; building upon a sound but insufficient information systems; and response to an insufficiently maintained facilities infrastructure. A summary comparison of FY 2007 and FY 2006 appropriations are shown on the previous page.

**Human Resources**

The City enters a new fiscal year showing continuing financial strength, although State Legislative action taken after this budget was initially approved by the City Council, significantly changes the multi-year outlook. (See Financial Outlook.) Growing revenues are sufficient, as in FY 2006, to allow for compensation and benefit adjustments to meet rather dramatic cost increases for health insurance, retirement and pay plan adjustments to better position the City for recruitment and retention of employees. Last fiscal year expenditures for personnel services increased by \$4.0 million, including new employees. **This proposed budget will increase personnel service expenditures by \$5.8 million, including increases in the following categories:**

|                                  |                      |
|----------------------------------|----------------------|
| <b>Compensation</b>              | <b>\$1.7 million</b> |
| <b>Retirement, State</b>         | <b>\$615,000</b>     |
| <b>Retirement, Public Safety</b> | <b>\$295,000</b>     |
| <b>Assignment Pay</b>            | <b>\$20,000</b>      |
| <b>Health Insurance</b>          | <b>\$487,000</b>     |
| <b>Dependent Health Subsidy</b>  | <b>\$219,000</b>     |
| <b>Additional Positions</b>      | <b>\$1.4 million</b> |

The FY 07 budget includes the addition of **41.66 full-time equivalent positions citywide**. The following chart indicates the growth by department.



**Organizational Infrastructure**

Recent years have seen new expenditures focus on direct delivery of services. It has been necessary to allocate revenue growth toward sustaining service levels, leaving limited resources to build internal service organization capacity to keep pace with a growing organization. In the meantime, many internal service requirements have grown vastly more complicated, ranging from new human resource requirements, such as HPPA, to new accounting rules. The City also experiences significant greater exposure to risk because of many new programs and operates a much more complex information service structure. **It is essential to add employees in order to keep up with greatly increased workload. The first priority of positions included in this budget are to meet this need. These positions include:**

|  |  |
|--|--|
| Deputy City Clerk                        | Insurance Claims Specialist                      |
| Human Resources Benefit Specialist       | GIS Technician                                   |
| Software Specialist                      | Account Clerk II                                 |
| Finance Intern (0.13 FTE)                | Maintenance Worker III – HVAC                    |
| Police Evidence Technician               | Administrative Specialist – Utilities (.5 FTE)   |
| Administrative Assistant – FMPO (.5 FTE) | Senior Recreation Coordinator – Multi-Gen Center |

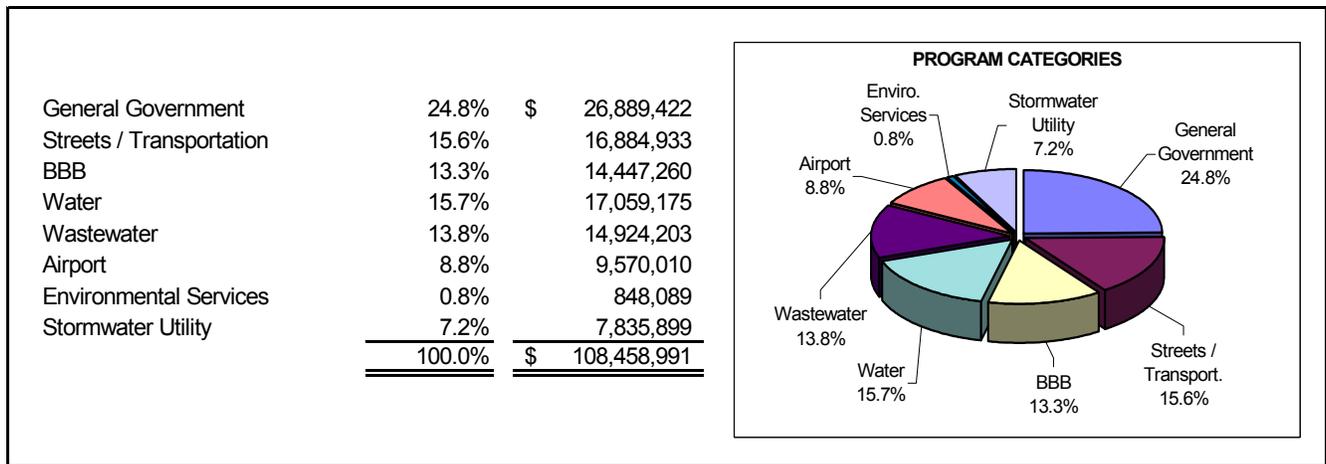
**Community Investment**

The City is investing millions of dollars for infrastructure, and the private sector is adding investment at levels never before experienced in the city. It is vital to we make investments that last, adding value to the community.

- To serve both private and public sector permitting and inspection needs, several new positions are included. They are:

|  |                                   |
|--|-----------------------------------|
| Development Services Case Manager                              | Development Services Inspector II |
| Development Services Associate Planner                         | Project Manager II - Traffic      |
| Development Services Inspector I (previous temporary position) |                                   |

- The City’s capital budget (\$108 million) continues the City’s commitment to invest in the community’s physical infrastructure and is summarized in the following graph:



- Public buildings and infrastructure require maintenance and renewal. The budget includes \$461,649 for essential facilities maintenance. A minimum of \$400,000 is recommended annually for the foreseeable future.

**Sustaining Services**

Demand placed upon City service grows rather constantly as public use of the service grows or new infrastructure and service areas create added responsibility. At some point the existing crews are stretched too far to maintain historic service levels. Either services decline or additional staff must be added. From time to time, the need to improve the existing service is also identified. **Nineteen positions are proposed to maintain service levels, or improve upon existing services (indicated with an asterisk):**

|  |   |
|--|---|
| <b>Parks Maintenance Worker I</b>                    | <b>Library Assistant I *</b>                              |
| <b>Library Page (.5 FTE)</b>                         | <b>Library Clerk (.75 FTE)*</b>                           |
| <b>Library Clerk I</b>                               | <b>Environmental Aide Small Business Waste * (.6 FTE)</b> |
| <b>2 Water Services Technicians</b>                  | <b>Sustainability Coordinator *</b>                       |
| <b>Airport Maintenance Worker (.5 FTE)</b>           | <b>Code Enforcement Aide – Sidewalk Maintenance *</b>     |
| <b>Environmental Services Collections Supervisor</b> | <b>Convention and Visitors Bur. Publications Assoc.*</b>  |
| <b>5 Environmental Services Operators</b>            | <b>Visitor Center Administrative Ass't (.5 FTE Temp)</b>  |
| <b>Traffic Signal Technician II</b>                  | <b>Visitor Center Administrative Ass't (.5 FTE) *</b>     |
|  | <b>Part-time hours for Recreation Services *</b>          |

### Public Safety

The Police Department received five new officers in FY 2006. While additional officers were requested to respond to geographic expansion and the need for a new beat, these positions are deferred to next fiscal year. **Three new officers** are included for assignment to Municipal Court. The three new officer positions respond to the Court's highest priority of security improvements. The use of sworn police officers assigned to the Court adds flexibility to these positions for use by the Police Department when demand is high for police patrol services, during low or no demand periods at the Court. **Police staffing levels will be examined carefully in FY 2007 both in response to growing geographic service area and in consideration of broad-based criminal justice system needs identified by the Criminal Justice Council.**

The Fire Department request for an **increased fuel management crew** is also included. The Fire Department **budget for overtime is increased**. Funds are included for a **short-term overhire** in the Fire Department to allow for a group academy starting very early in the fiscal year. Fully trained fire fighters will then be ready to fill vacancies we now know will occur during the year. **Three additional firefighters** are authorized to begin a process of fire staff additions to meet the City Council's goal of placing four firefighters on each engine. This will be an incremental process; **the pace of which this can be achieved will be examined during the year, as strategic projections are refined.**

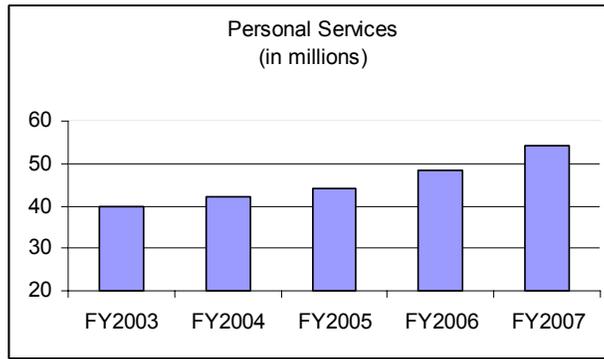
**Public safety currently receives 50% of general fund appropriations compared to 36% just five years ago. Careful consideration of expenditure growth for public safety is needed.**

### New Programs

Three positions are included for new initiatives. **A Community Planner** within the Community Improvements Division of Community Development will add planning capacity to help address Council goals. The position will assist in the planning reserve areas planning effort and other area and neighborhood plans as determined. **Two code enforcement positions** were added and funded in part by CDBG to carry out the property maintenance initiative, with a focus on target neighborhoods.

### FINANCIAL OUTLOOK AND SUSTAINABLE PROGRAMMING

The single biggest impact on the expenditures during the next five years will continue to be increasing human resources costs. It is unlikely that any of the growth factors – compensation, health insurance, retirement will abate. Other inflationary factors are also pushing unavoidable expenditures. As core costs continue to soar locally so will employee compensation needs to keep pace. These cost increases will continue to be significant. Reiterating earlier figures, health insurance costs will increase by \$487,000 next fiscal year and retirement costs by \$910,000. In addition to personnel costs, total non-personnel operating costs will increase by \$2.6 million, including a fuel cost increase of \$450,000. A historical perspective on the overall growth in personal service costs is reflected in the following graph:



Our human resources are what enable the delivery of municipal services. Without an appropriate number of workers, services will decline, even as we invest in technology and efficiency measures to improve delivery. Yet, the decline would be incremental and initially barely perceptible. In time, citizen dissatisfaction could arise for many services, as is presently the case for traffic, streets and planning. Still employees are expensive; and careful decisions about where the City must apply human resources will continue to be essential.

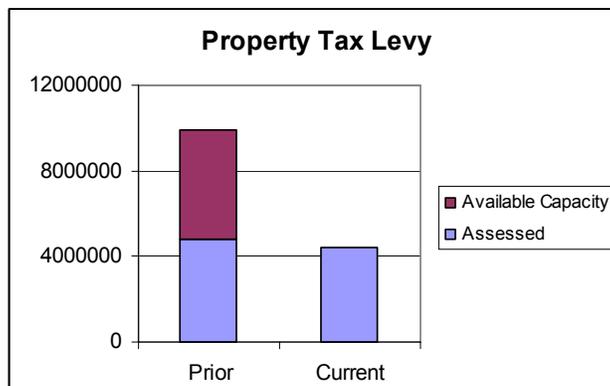
Pages of the budget message have been used before to express caution about the City's fiscal outlook. City revenue's are significantly influenced or dependent upon outside influences, especially the condition of our State and national economies and actions by the State that may affect revenues.

Every governmental budget is affected by economic cycles. National or state economic setbacks have an impact on revenues derived both from local tax receipts and from intergovernmental shared revenues. State revenues have historically been subject to economic cycles because of dependence on sales and income taxes. Sales and income tax revenue can decline rather dramatically when economic downturns reduce payrolls and retail expenditures.

The second area of uncertainty arises through the State Legislative process. Each year, the State Legislature considers changes in tax and revenue policies, which can create a negative impact on the fiscal condition of local governmental jurisdictions. The 2006 Legislative sessions produced it's share of considerations.

One tax proposal passed without much fanfare or consultation with the local jurisdictions affected. Within the omnibus budget bill passed toward the end of the session, local property tax levy limits are reduced for those jurisdictions not currently of their maximum authorized levy. The new law establishes the 2005 levy as the new base year. Since the City of Flagstaff was at just less than half it's authorized levy in 2005, the new law greatly limits the City's future fiscal options.

Moreover, the new law (passed after many cities had approved their FY 2007 budgets) rolls back any FY 2007 property tax increase to a limit based on the 2005 base year. To comply with the law the City has been forced to fix a lower levy and make budget adjustments projecting lower revenue. The effect of the change is demonstrated in the following graph. As shown, all growth capacity has been eliminated and the levy for FY 2007 is reduced.



Future allowable growth in the amount of property tax has also been changed to disallow inclusion of growing property values. There are two reasons this change in local taxation authority means significant budgetary and likely service impacts for Flagstaff. Local revenue growth will be less than it has been historically; and the City has found it necessary to utilize that revenue growth to fund rising service and capital costs. Second, the City recognizes its future share of State shared revenue will decline as local population becomes relatively smaller to the rest of the State which has a must faster

rate of population growth. Multiyear projections take this anticipated State revenue shrinkage into account. The anticipated fiscal recovery from this revenue loss was the City's ability to gradually increase property tax to make up for the difference. This will no longer be an option.

This experience underscores the caution about outside influences which can very suddenly alter the City's fiscal outlook. Care and focus are needed as decisions are made about where to allocate scarce resources.

**In FY 2007 focus will be placed on refining a five-year strategic projection for the City. The City Manager will guide this initiative in order to provide Council with as clear a picture as possible of projected revenues, affordable expenditure levels and scenarios which identify additional revenue needs if higher levels of staffing and services are desired.**

### **Community Development**

Economic development is essential if governmental services are to be funded at levels maintaining and enhancing the quality of life in our community. Toward that end the City has expended significant funds to establish attractive investment opportunities. We do this through sales and marketing, infrastructure investment and improving the community qualities that are valued by residents and prospective investors alike. In recent years the City has utilized infrastructure and cash to attract investment, such as the partnership with Northern Arizona University to build a conference center and building infrastructure for the East Flagstaff Business Area.

- **In FY 2007 clearly defined methods will be identified by written policy, so the City is not so reliant upon appropriated outlay.**
- **The Community Development Department will continue to revise the development services process to eliminate unnecessary delays while representing community interests through the appropriate application of City ordinances.**
- **The Housing Land Trust will be established and initial steps on the first housing units will be accomplished.**

### **FISCAL YEAR 2007 HIGHLIGHTS**

This proposed budget is sustainable only if the City Council adopts several additional revenue sources it has discussed. Council actions are necessary to implement these revenues at the beginning of the fiscal year. **The new revenues contemplated include: Community Development review fees, sales tax code amendments and increased stormwater fees. A secondary property tax rate transfer to primary was initially included and adopted by the City Council. Due to a change in State law, previously discussed, this was rolled back and not included in the budget. As discussed on previous pages, this limitation on revenue growth will in time affect the sustainability of current expenditure growth.**

As previously stated, current services are sustained and in some instances enhanced. The cost of employee compensation is significantly increased to provide greater potential for compensation growth and to maintain benefits. A significant number of program initiatives will be undertaken. The following bulleted statements identify significant program components.

- The responsibilities for departmental and program oversight among the Deputy City Managers and City Manager will be shifted to allow for targeted focus by each.
- Facility improvements will be made to accommodate growing staff, including full use of the APS building, use of the City owned building on Aspen Avenue, currently occupied by the Army Corps of Engineers.
- Facility enhancements of the City Council office to accommodate increasing workspace needs of the City Council and improve the City Manager's Office for frequent meeting use.
- Allocation of significant dollars for multi-year facilities maintenance.
- Formulation of an organizational pandemic preparedness plan.

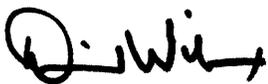
- Facilitation of a multi-interest Citizens Task Force to make a recommendation to the City Council regarding the level and allocation of the BBB Tax.
- Allocation of money for an initial capital contribution and ongoing operations support for an Intake Triage Facility.
- Initial development of an adequate telecommunication infrastructure between and among government facilities.
- Investment in regional community recognition initiated with the Arizona Cardinals.
- Construction and operating budget for a business incubator adjacent to USGS on McMillan Mesa, utilizing a Federal EDA Grant.
- Initiation of a public/private partnership for the development of a research park on city owned land next to USGS.
- Operation and initial projects of the City affordable work force Housing Land Trust.
- Submittal to the City Council of a five-year strategic expenditure plan.
- A determination process for more specific land use designation of planning reserve areas will be undertaken in partnership with State Land Department staff which owns significant acreage with planning reserve areas.

### **Summary**

The proposed FY 2007 budget sustains current services. With enhancing revenue actions the level of expenditure is sustainable over a five-year period, inclusive of the additional allocation next fiscal year to staff and operate the new Aquatic-Mutigenerational Center. There appears to be very little flexibility or opportunity in outlaying years, according to current projections, so there is reason to be cautious.

The budget is the result of a citywide effort. Many employees had a hand in developing five-year projections. During our budget review they expressed that the process was an eye-opener. Staff worked closely to inform EAC, particularly regarding compensation and benefits. Employees have taken a very thoughtful approach to a myriad of budget issues. Finally, as always, special recognition is appropriate to the Finance Budget staff who both assisted departments in the development of budget information and proposals and assured all the necessary detailed calculations to provide this budget proposal to the Council.

Respectfully Submitted,



DAVID W. WILCOX  
City Manager

# ***City of Flagstaff*** ***Mission Statement***

*The mission of the City of Flagstaff is to enhance the quality of life to its citizens while supporting the values of its community.*

## ***Our Values Are:***

### ***ACCOUNTABILITY***

*We are accountable to the community and each other*

### ***RESPONSIVENESS***

*We value addressing our customer's concerns*

### ***QUALITY***

*We provide high-quality customer service*

### ***PROFESSIONALISM***

*We are honest, responsible, fair, highly-trained, and cost conscious*

### ***TEAMWORK***

*We are a team in partnership with citizens, other agencies, and each other for a better Flagstaff*

### ***PROBLEM SOLVING***

*We solve problems creatively, open-mindedly, and professionally*

*"Service at a Higher Elevation"*

## **Budget Highlights 2006 – 2007**

### ***Accountability***

The City continues to refine its information dispersal through the City website, quarterly reports through Cityscape, public service announcements, and the implementation of an e-government presence on the web.

### ***Responsiveness***

The City has increased staffing and resource funding for the East Flagstaff Branch Library as the demand for service and circulation materials continues to grow.

### ***Quality***

The Development Services division is implementing case managers to provide a single point of contact for development applications to allow for better continuity and timeliness of project review.

### ***Professionalism***

Human Resources will continue to integrate the Leadership Talent Development Program into City processes and procedures and provide ongoing training that facilitates this development.

### ***Teamwork***

The Fire Department partners with a number of other citywide agencies to conduct Disaster Management drills to prepare and protect the community from both manmade and natural disasters.

### ***Problem Solving***

The City has joined with the County, the Flagstaff Medical Center, and the Guidance Center to provide ongoing funding for an Intake/Triage unit to address one segment of the continuum of care needed for substance abuse issues.

## **Accomplishments 2005 - 2006**

### ***Accountability***

In the May 2006 general election, successfully passed an increase to the expenditure limitation base to facilitate the ability to expend resources for projects supported with current City revenues.

### ***Responsiveness***

The Environmental Services division towed over 100 abandoned vehicles, sponsored over 40 voluntary cleanups, and removed 15 transient camps.

### ***Quality***

The Police department maintained 48 Block Watch groups, conducting 138 meetings. Every officer in the department is assigned at least one block watch to coordinate.

### ***Professionalism***

Government Finance Officers Association presented the City the Distinguished Budget Presentation (thirteen consecutive) and Excellence in Financial Reporting (fifteen consecutive) Awards.

### ***Teamwork***

The City partnered with the Flagstaff Unified School District, Arizona Game and Fish, the Arboretum at Flagstaff, and Natural Channel Design to complete the Frances Short Pond restoration.

### ***Problem Solving***

Purchased the Red Gap Ranch as a future water source and established a water management consortium with the Navajo and Hope tribes.



# BUDGET OVERVIEW

The City of Flagstaff FY 2007 Financial Plan presents a fiscally sound and balanced budget that maintains the integrity of the City's financial condition while still meeting the service level demands of a community that expects quality services. The Financial Plan is balanced not only financially, but also equally as important, balances the allocation of resources among operating

requirements, capital needs, debt burden, and strong reserves for future needs and contingencies.

This section briefly describes the document *Format and Presentation*; the *Assumptions and Strategies* which formed the working parameters of the budget development; *Highlights of Appropriations, Revenues, and Capital Improvements Plan (CIP)* for FY 2007; *Debt Structure*; and the *Fund Balances*, which are the operating framework of the Financial Plan.

## FINANCIAL RESOURCES AVAILABLE

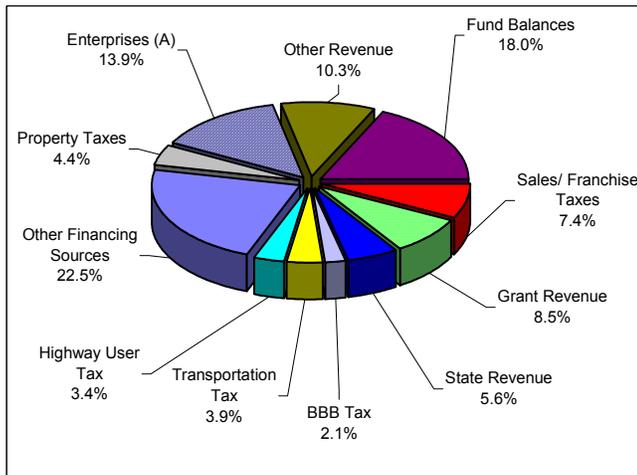
|                         |                       |               |
|-------------------------|-----------------------|---------------|
| Sales/Franchise Taxes   | \$ 17,294,405         | 7.4%          |
| Grant Revenue           | 19,298,118            | 8.5%          |
| State Revenue           | 12,736,988            | 5.6%          |
| BBB Tax                 | 4,657,883             | 2.1%          |
| Transportation Tax      | 8,746,589             | 3.9%          |
| Highway User Tax        | 7,659,080             | 3.4%          |
| Other Financing Sources | 50,965,599            | 22.5%         |
| Property Taxes          | 9,876,127             | 4.4%          |
| Enterprises (A)         | 31,453,302            | 13.9%         |
| Other Revenue (B)       | 23,380,236            | 10.3%         |
| Fund Balances           | 40,826,198            | 18.0%         |
|                         | <u>\$ 226,894,525</u> | <u>100.0%</u> |

### (A) Enterprises:

|                        |                      |
|------------------------|----------------------|
| Water                  | \$ 11,598,026        |
| Wastewater             | 7,973,600            |
| Airport                | 1,264,725            |
| Environmental Services | 9,617,577            |
| Stormwater Utility     | 999,374              |
|                        | <u>\$ 31,453,302</u> |

### (B) Other Revenue:

|                         |                      |
|-------------------------|----------------------|
| Licenses and Permits    | \$ 2,587,783         |
| County Vehicle Tax      | 2,601,000            |
| Charges for Services    | 2,108,650            |
| Fines and Forfeits      | 1,009,701            |
| County Contribution     | 3,101,501            |
| Interest on Investments | 1,573,496            |
| LTAf/Misc Revenue       | 10,398,105           |
|                         | <u>\$ 23,380,236</u> |



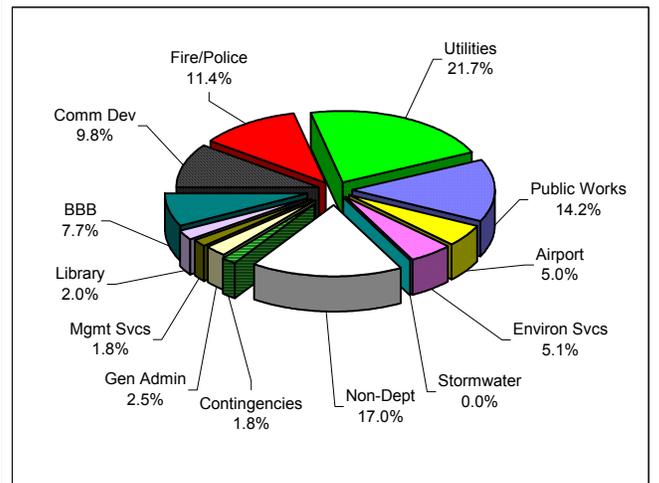
**"WHERE THE MONEY COMES FROM"**  
\$226,894,525

## TOTAL APPROPRIATIONS

|                        |                       |               |
|------------------------|-----------------------|---------------|
| General Administration | \$ 5,780,417          | 2.5%          |
| Management Services    | 4,098,404             | 1.8%          |
| Library                | 4,460,741             | 2.0%          |
| BBB (A)                | 17,416,988            | 7.7%          |
| Community Development  | 22,346,819            | 9.8%          |
| Fire/Police            | 25,770,459            | 11.4%         |
| Utilities              | 49,220,978            | 21.7%         |
| Public Works           | 32,158,664            | 14.2%         |
| Airport                | 11,354,364            | 5.0%          |
| Environmental Services | 11,584,326            | 5.1%          |
| Stormwater             | 1,267,010             | 0.0%          |
| Non Departmental       | 38,490,355            | 17.0%         |
| Reserves/Contingencies | 2,945,000             | 1.8%          |
|                        | <u>\$ 226,894,525</u> | <u>100.0%</u> |

### (A) BBB Tax Funds:

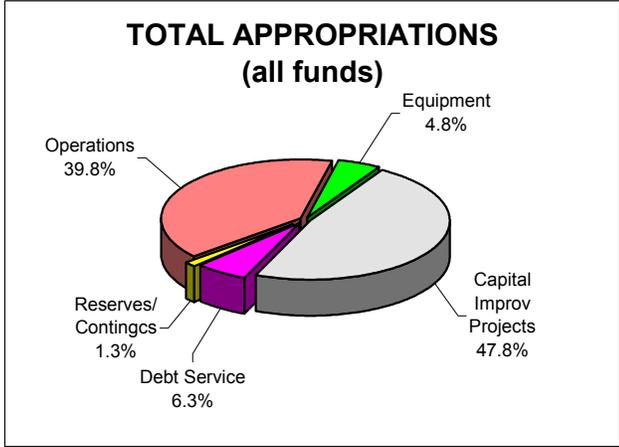
|                      |                      |
|----------------------|----------------------|
| Beautification       | \$ 9,542,128         |
| Tourism              | 1,822,828            |
| Economic Development | 621,400              |
| Arts and Science     | 621,487              |
| Recreation-BBB       | 4,809,145            |
|                      | <u>\$ 17,416,988</u> |



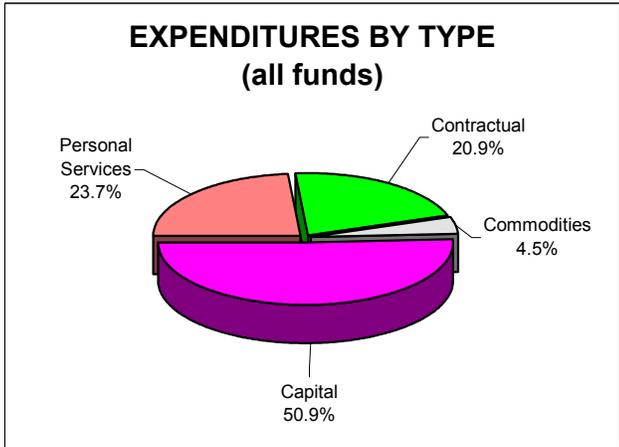
**"WHERE THE MONEY GOES TO"**  
\$226,894,525

The following graphs depict the major classifications of appropriation for the total 2006-2007 budget and expenditures by major types.

| <b>TOTAL APPROPRIATIONS</b>  |                       |
|------------------------------|-----------------------|
| Operations                   | \$ 90,452,395         |
| Equipment                    | 10,781,867            |
| Capital Improvement Projects | 108,458,991           |
| Debt Service                 | 14,256,272            |
| Reserves/Contingencies       | 2,945,000             |
|                              | <u>\$ 226,894,525</u> |



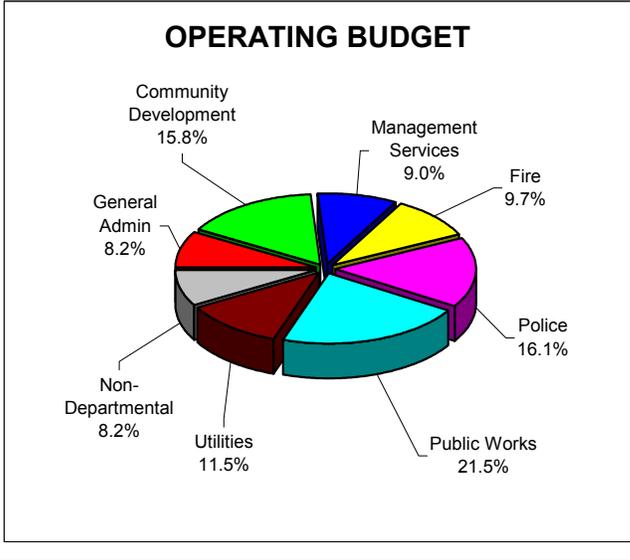
| <b>EXPENDITURES BY TYPE</b> |                       |
|-----------------------------|-----------------------|
| Personal Services           | \$ 53,987,938         |
| Contractual                 | 47,325,101            |
| Commodities                 | 10,147,958            |
| Capital                     | 115,433,528           |
|                             | <u>\$ 226,894,525</u> |



**OPERATING EXPENDITURES BY DEPARTMENT**

City operations include the traditional municipal services citizens expect their local government to provide. Operating expenditures exclude capital improvements, capital equipment, debt service and reserves. The department budgets are presented to include division budgets and Departmental (organizational structure) responsibilities as defined by the City Code.

| <b>OPERATING BUDGET *</b>   |                      |
|-----------------------------|----------------------|
| General Administration      | \$ 7,393,708         |
| Community Development       | 14,281,677           |
| Management Services         | 8,143,645            |
| Fire                        | 8,757,924            |
| Police                      | 14,594,428           |
| Public Works                | 19,404,120           |
| Utilities                   | 10,367,715           |
| Non-Departmental            | 7,509,178            |
|                             | <u>\$ 90,452,395</u> |
| * Exclusive of Debt Service | <u>\$ 14,256,272</u> |



**General Administration** activities comprise 8.2% of the budget (\$7.4 million). The divisions within this Department provide for the overall management and administration of the City, as well as enforcement of municipal laws through legal support and the courts. This department consists of City Manager, City Clerk, City Attorney, City Court, Human Resources, Risk Management, Tourism and Visitor Services.

**Community Development** comprises 15.8% of the operating budget (\$14.3 million), excluding the debt service requirements for Fourth Street (\$2.0 million). The services in this Department include Development Services, Community Improvement, Community Investment, Capital Improvements, Transportation, Stormwater, MPO, Housing and Community Services, Urban Design, Arts & Sciences, and CD Administration. The services provided by these divisions meet the current needs of the community and plan for the future.

**Management Services** comprises 9.0% of the operating budget (\$8.1 million). The department encompasses those activities that provide administrative support and services including financial services, purchasing, information systems, sales tax, and real estate. The City/County public library system is also included within the department.

**Fire Department** services comprise 9.7% of the operating budget (\$8.8 million). The Department's public

safety programs provide both personal safety in the community with proactive attention to preventable disasters and sense of well being through timely emergency response.

**Police Department** activities comprise 16.1% of the operating budget (\$14.6 million). Public safety programs provide personal safety in the community by promoting a community free of crime and assured response in emergency situations.

**Public Works** comprises are provided by nine divisions that account for 21.5% of the operating budget (\$19.4 million), excluding the debt service requirements for streets (\$2.4 million), Airport (\$0.6 million), and USGS facility (\$0.9 million). The services provided include environmental service operations, cemetery operations, maintenance of all public facilities and public infrastructure including streets and parks, airport operations, fleet services, and recreation programming.

**Utilities Department** comprises 11.5% of the operating budget (\$10.4 million), excluding \$5.2 million debt service requirements. Five divisions within water operations and four divisions within wastewater operations provide services that promote a clean and healthy community by providing a safe water supply and proper waste disposal.

**Non-Departmental** operations comprise 8.2% of the budget (\$7.5 million) exclusive of \$3.2 million debt service. Some divisions are contractual in nature and include Contributions to Other Agencies, Economic Development, and the Pension Trust Fund. The Council and Commission and Non-departmental budgets account for expenditures that benefit City operations as a whole.

## **BUDGET FORMAT AND PROCESS**

The budget and financial plan for the City of Flagstaff is the policy document that reflects the goals and objectives of the City Council. These goals and objectives are implemented through the policies and priorities established by the Council as well as the various Boards and Commissions appointed by Council. The Office of the City Manager is then responsible for implementing these policies and priorities utilizing the allocation of financial resources. The annual review process provides the community an opportunity to evaluate the services provided to the citizens of the community. Programs are identified, evaluated, and the scope of service provided is defined. The staffing level needed to provide the service level deemed appropriate by Council is determined. Additionally, funding requirements and level of effort to be provided are established.

## **FORMAT**

The Department Detail presents each operating activity at the division level with a *division mission, description of programs, specific goals and objectives* for FY 2007, *major accomplishments* in FY 2006, and *performance indicators* that measure the efficiency and/or effectiveness at the program level.

To assist the City Manager in the management of the resources expended by the municipality, the budget also serves as an operational guide. The operating budget presentation includes, for comparative purposes, the *Actual Expenditures for FY 2005*, the *Estimated Actual for FY 2006*, and the *Adopted Budget for FY 2007*. Expenditures are shown by category as well as cost center (program/activity). The comparatives in the Financial Summaries Section are presented at the fund level and the department level to aid division and program managers in budget tracking and accountability.

### **Categories presented are:**

- Personal Services (salaries, fringe benefits, internal labor, et al)
- Contractual (professional services, utilities, maintenance, rents, debt service, et al)
- Commodities (small equipment, parts, office supplies, operating supplies, et al)
- Capital Outlay (professional services, land, buildings, street, water and sewer construction, equipment, et al)

### **Fund, Department, and Division Structure:**

The City uses funds to report its financial position and the results of its operations. Fund accounting segregates funds according to their intended purpose and is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts, which includes assets, liabilities, fund equity, revenues and expenditures/expenses.

Within each Fund there may be several Departments. Departments also may encompass several Funds. The Department level is the legal level of budget authority.

Departments are groups of Divisions that serve a similar function with the City. In addition, within each Division are Programs, which capture all expenditures related to an activity, cost center, or location of operation within a division.

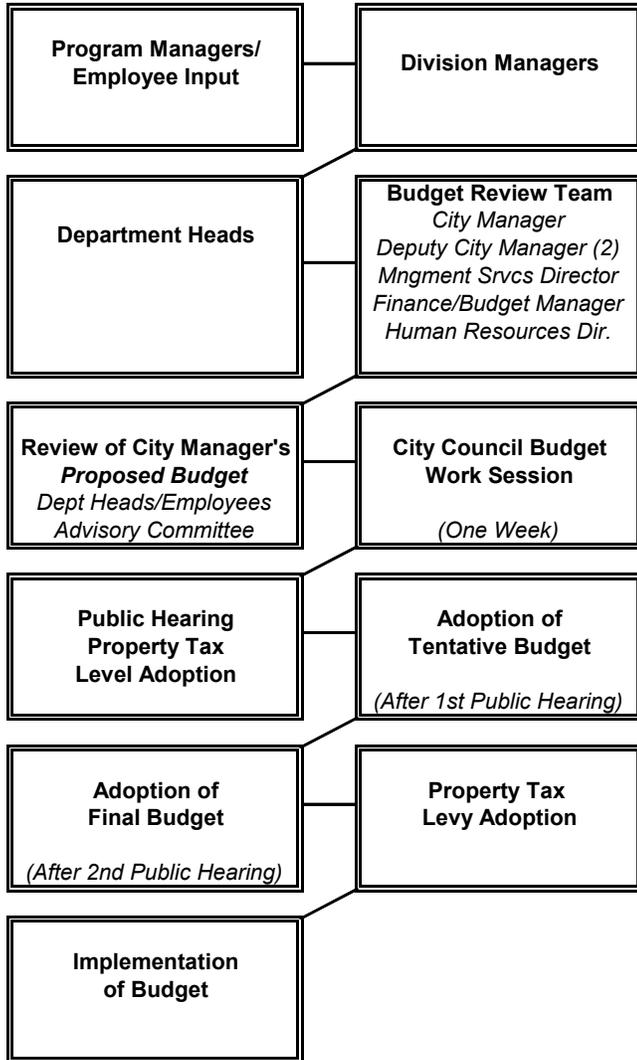
The following table represents the structure for the City.

Illustration of Relationship between Funds, Departments, and Divisions

| DEPARTMENTS<br>FUNDS                  | General<br>Administration  | Management<br>Services  | Community<br>Development  | Fire | Police | Public Works   | Utilities  | Non-departmental  |
|---------------------------------------|--|---|---|------|--------|--|--|---|
| General Fund                          | City Manager<br>City Clerk<br>Human Resources<br>Risk Management<br>City Attorney<br>Municipal Court | Information Systems<br>Management Services<br>Administration<br>Tax, Licensing &<br>Revenue<br>Finance & Budget | Administration<br>Capital Improvements<br>Development Services<br>Community<br>Improvements<br>Community Investment | Fire | Police | Administration<br>Parks<br>Fleet<br>Cemetery<br>Facilities Maintenance<br>Recreation |  | Council and Commission<br>Contributions<br>Non-departmental |
| Library                               |  | Library   |   |      |        | Street Maintenance &<br>Repairs  |  |   |
| Highway User Revenue                  |  |   |   |      |        |  |  | Transit   |
| Transportation                        |  |   | 4th Street Overpass<br>Safe to School<br>Safety Improvements  |      |        |  |  |   |
| Economic Development                  |  |   |   |      |        |  |  | Economic Development  |
| Beautification                        |  |   | Beautification  |      |        |  |  |   |
| Tourism                               | Convention & Visitors<br>Bureau<br>Visitor Services  |   |   |      |        | Recreation   |  |   |
| Recreation                            |  |   |   |      |        |  |  |   |
| Arts & Science                        |  |   | Arts & Science  |      |        |  |  |   |
| Real Estate Proceeds                  |  |   |   |      |        |  |  | Real Estate Proceeds  |
| Housing and Community<br>Services     |  |   | Housing and Community<br>Services   |      |        |  |  |   |
| Metropolitan Planning<br>Organization |  |   | Metropolitan Planning<br>Organization   |      |        |  |  |   |
| G.O. Bond Fund                        |  |   |   |      |        |  |  | G.O. Bond Fund  |
| Secondary Property Tax                |  |   |   |      |        |  |  | Secondary Property Tax                                      |
| Special Assessment                    |  |   |   |      |        |  |  | Special Assessment  |
| Perpetual Care                        |  |   |   |      |        |  |  | Perpetual Care  |
| Capital Projects Bond                 |  |   |   |      |        |  |  | Capital Projects Bond                                       |
| Water & Wastewater                    |  |   |   |      |        |  | Administration<br>Lake Mary Water<br>Treatment Plant<br>Customer Service<br>Water Distribution<br>Services<br>Booster Stations<br>Wastewater Treatment<br>Plants<br>Wastewater Collection<br>Wastewater Monitoring |   |
| Airport                               |  |   |   |      |        | Airport  |  |   |
| Environmental Services                |  |   |   |      |        | Environmental Services   |  |   |
| Stormwater                            |  |   | Stormwater  |      |        |  |  |   |
| Expendable Trust                      |  |   |   |      |        |  |  | Firemen's Pension   |

# PROCESS

Budget Process Flowchart:



**Presentation:**

- The *Transmittal* provides a summary of the key policy issues, priorities, and strategies that shaped the budget as framed by the City Manager.
- The *Budget Overview* summarizes financial resources and expenditures along with fund summaries and an overview of selected revenues.
- *Policies and Procedures* provide an overview of both fiscal and budgetary practice.
- Budget Issues were prepared for Council review and discussion during their Fall and Spring retreat and the budget study sessions. Highlights of the issues reviewed are included in the *Issues and Updates section*.
- The *Financial Summaries* section includes various schedules utilizing revenue and expenditure classifications and tax levy information in accordance with state reporting requirements as mandated by statute. Expenditures are reported at both the fund level and the department level for operational control purposes.

- The *Department Detail* section provides both narrative and financial data. The budget commentary provides an explanation of significant budget changes for FY 2007.
- The *Capital Improvement Plan (CIP)* for FY 2007 lists projects, costs, and funding sources in the Capital Improvement (CIP) Section.
- The *Community Profile* section outlines key factors that contribute to the uniqueness of our community.
- A detailed listing of personnel and changes over the last five years is provided in the *Appendix* Section.

| BUDGET CALENDAR        |  |
|------------------------|--|
| January                | Budget Module available to all Divisions   |
| February 6             | Capital improvement and equipment requests reviewed by Capital Improvements and Purchasing |
| March 13 -<br>March 31 | Review with Department Heads and City Manager  |
| March                  | Personnel review of reclassification requests completed                                    |
| May 18-19              | Council Study Sessions<br>Proposed Budget available to public                              |
| June 20                | Public Hearing/Tentative Adoption of Proposed Budget<br>Public Hearing on Tax Adoption     |
| June 23                | Notify Property Tax Oversight Commission of Compliance with Truth in Taxation              |
| June 28                | Publish first notice of Public Hearing for Final Adoption                                  |
| July 5                 | Publish second notice of Public Hearing for Final Adoption                                 |
| July 10                | Public Hearing on Budget and Final Adoption of Budget                                      |
| July 24                | Adopt Property Tax Levy  |

**Review and Approval:** Issues presented during the review and approval period include discussion topics of the Council Fall and Spring retreats. The Fall and Spring retreats were held in November and March respectively, to give city staff the opportunity to present major discussion points to Council and the public. The goal is for Council to make policy decisions and direct staff in preparing the budget. This provides adequate time for the Council to gather input on major budget issues prior to preparation of the budget. The City Council holds Study Sessions in May. The Council reviews and discusses the issue papers included in the Budget Review Book as well as all personnel

recommendations, capital equipment recommendations, and the capital improvement plan. The Council arrives at a consensus for all decisions needed. The Study Sessions provide the opportunity for City management, departments and the public to offer information and recommendations to the City Council.

The Proposed Budget is presented to Council for tentative adoption on or before the third Monday in July. Two public hearings are held on the content of the budget. Final adoption occurred on July 10, 2006. State law requires the operating budget to be all-inclusive. Therefore, the budget includes provisions for contingent revenues, e.g., Passengers Facility Charges, and expenditures that cannot be accurately determined when the budget is adopted, e.g., grants. The Resolution adopting the annual budget requires Council authorization for any expenditure from contingencies, as well as transfer of budget authority between departments.

**Adoption:** The City operates under the State Expenditure Limitation with a one-time adjustment to the base. The adjustment provided for an increase to the base limit to allow for the expenditure of funds resulting from the addition of a 2% Bed, Board, & Booze Tax. Flagstaff is not a Home Rule city. Alternative [Home Rule] Expenditure Control municipalities require voter approval every four years.

The City received voter approval in the May 2006 general election for an additional adjustment to the expenditure limitation base. This permanent adjustment will be effective in the FY 2007 budget year and increases the current expenditure limitation by approximately \$25,000,000.

The Adopted Budget reflects the total funds appropriated (\$226,894,525). Certain exclusions are allowed by the state [e.g., bond proceeds, debt service, grants] in computing the Expenditure Limitation (\$105,535,929), and this total cannot be exceeded.

Budget authority can be transferred between line items within a Division. At year-end, Department budgets are reviewed and budget authority is transferred from contingencies by Resolution as necessary. Additionally, any inter-fund transfer of appropriations requires Council approval. Council can also amend total appropriations for a fund during the year by Resolution as long as there is a corresponding increase/decrease in another fund so that the expenditure limitation is not exceeded.

## **ASSUMPTIONS AND STRATEGIES**

### **ECONOMIC OVERVIEW**

In FY 2007, City sales tax revenue is budgeted to exceed the FY 2006 estimated actual by 9.1%. The trends reflect an overall increase in the economy. Construction revenues are expected to increase due to

several large construction projects, including the Mall and several large housing developments. In addition, the City Council removed most sales tax exemptions (except on food), effective October 1, 2006. The BBB category shows a 4.4% (\$194,524) budget to estimated actual increase.

For 2007, the City and most of the rest of the State of Arizona municipalities will use DES population estimates. These estimates reflect a more accurate count of our City's population and reflect a slight increase in Flagstaff's proportionate share of population in comparison to the rest of the State. In addition, the State of Arizona continues to rebound after almost three years of negative or no growth.

### **REVENUE FORECAST**

State-shared revenues for sales and income tax are experiencing significant increases (5.0% and 22.3%, respectively) due to the recovering economy and the updated census estimates. State shared income tax receipts are based on actual collections from two years prior. State sales tax receipts are distributed based on actual collections of the state.

State shared revenue was impacted in the most recent legislative session with the enactment of a phased 10% personal income tax cut. Cities and towns will not see the impact of the reduced tax base until FY 2009. A "hold harmless" for FY 2009 in the form of a \$717 million dollar appropriation, was enacted as part of this year's budget agreement. As this appropriation is only a line item in this year's state budget, there may be a future threat to its availability. The City will have to be prepared for decreased state revenue potential effective FY 2010.

Due to changes in legislation, the City will experience a decrease in primary property tax revenues for FY2007 that may become permanent should the voters pass a November 2006 ballot measure that permanently decreases the primary property tax levy base. This legislation was enacted very late in the budget process so the City continues to reflect primary property tax revenues based on the previous maximum levy amount. In actuality, the City will realize approximately \$400,000 less in primary property tax revenue in FY2007 than is currently reflected in the General Fund budget. The City will make up this shortfall through reductions in the Public Safety Retirement System contributions for FY2007 that came in at rates less than originally budgeted.

Highway user tax and local transportation assistance are projected to end the year over budget and HURF revenue is budgeted to grow 3.0% (\$223,080). The City continues to anticipate growth based on the current ADOT formula to distribute revenue.

Funds previously diverted from the highway fund to pay other debt has been paid off through the current year state surplus. This allows for overall additional funding availability.

County revenues for auto in lieu tax (license tags) are expected to increase by approximately 2.0% in FY 2007 and have grown by 44.2% since FY 2002. The increase is based on continued local strength in auto sales. These increases were spurred by the lengthy car incentives offered over the last five years.

The Utility Fund continues to anticipate a rate increase, dependent on the timing of project development and bond sales as related to those projects approved in the May 2004 bond election.

The Environmental Services Fund also anticipates fee increases for commercial refuse and recycling accounts in late 2006. Residential rates continue to be under review, with a tentative time frame of a rate increase in late 2007.

The Stormwater Fund has approval for a rate increase to be effective July 2006 to fund additional requirements under the NPDES permitting process and to fund a spot improvement program as an initial effort to address flooding issues throughout the City. Additional incremental increases will be applied for the following four fiscal years. The rate is increasing to \$0.92 per equivalent runoff unit (ERU) in FY2007 from \$0.53 in FY 2006. The additional increases through FY 2010 will bring the rate up to a total of \$1.30 per ERU.

## EXPENDITURES

The adopted budget is based on fiscal restraint consistent with conservative and sustainable revenue estimates. The base budget approach has required operational cost reviews and redistributions of all Departments.

**Efforts to Control Expenditures** – The Fleet Management Committee reviews all equipment replacement requests and prioritizes those needs. A long-range planning approach is utilized to level cash flow requirements from one year to the next. The Fleet Committee has developed a five-year plan and continues the process of reviewing the plan to identify cash flow needs and develop alternatives to better allocate future resources. Due to varying demands, the Fleet budget is flexible, allowing monies to shift within the five-year planning period.

Due to the continued drought conditions experienced throughout the Southwest, the City has allocated an additional \$250,000 in contingency funds to be used for wild land fire defense as needed.

**Fund Balance** – The carryforward of fund balances remain at a level that protects the financial integrity of the City. Moody's bond rating for the City is Aa3. The

projected fund balance at the end of FY 2007 is estimated at \$11,090,952 in the General Fund. A general fund balance equal to 15% of general fund revenues is anticipated to maintain a sound financial position. The General Fund balance is currently budgeted at 22.9%.

The FY 2007 budget continues to use excess fund balances for one-time capital expenditures, facilities and redevelopment. In addition, a portion of the current fund balance represents carryforward of expenditures in equipment and capital projects.

The City of Flagstaff held a bond election in May 2004. A total of 13 projects were offered individually for \$172.5 million. Ten projects totaling \$155.2 million passed. These projects are funded through lease agreements, secondary property taxes, and user fees. The FY 2007 budget includes some revenues and expense for certain projects including \$31.5 million in bonds that were sold April 2006. The citizens may realize a future increase in water/sewer rates, however the projects funded through the secondary property taxes will be timed so that no increase would be necessary.

**Council Guidelines** – The budget guidelines set forth by the City Manager were formulated based on Council concerns and goals. The Council developed ten goals that encompass the areas of Affordable Housing, Economic Development and Redevelopment, Capital Improvement, Public Safety, Customer Service, Quality of Life, Fiscal Health, Organizational Support, Collaboration, and Planning for Growth.

- *Estimated Actual Expenditures FY 2006.* Divisions were asked to estimate expected expenditures by line item for FY 2006. Overages and underages (and reasons, theretofore) were used to adjust the recommended budget for various line items in FY 2007. This resulted in a reduction of a substantial number of line items, thereby allowing resources to be reallocated without inflating the total appropriations required.
- *Staffing Requests/Increases in Level of Service.* Departments were required to provide narratives for increases in service levels and addition of staff. New staff additions were encouraged to have an independent funding source, were needed to maintain current service levels, or reinstated previous position eliminations as identified through the work force reduction plan.
- *Fleet Management.* All fleet equipment replacement requests were reviewed and prioritized by the Fleet Management Committee within financial parameters.
- *Information Systems.* Management Information Systems Staff reviewed hardware and software needs. Funding was established to maintain funding at a level dollar amount to meet existing and future needs for current service levels including upgraded equipment and software.
- *Capital Improvements.* The Capital Improvement staff reviewed all requests of capital projects or

public improvements that require time charge outs from that division.

- **Operational Impacts.** All funds are continually evaluated relative to five-year financial projections. Increased service levels due to new programs or capital construction were projected to determine operating impacts in future years.

**FUND SUMMARIES**

**GENERAL FUND**

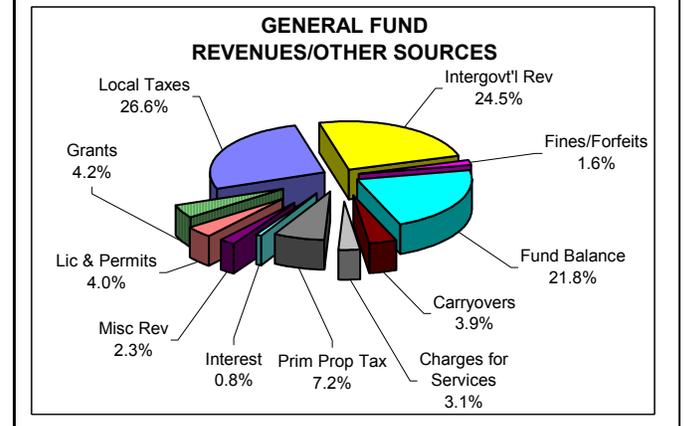
The General Fund includes all City operations, except enterprise activities (operations which are to be self-sustaining), e.g., Utilities, Environmental Services, the Airport, and Stormwater; activities funded from a special revenue source dedicated to that activity, e.g., the BBB Tax funds, the Transportation tax funds, Streets; Library; Housing and Community Services; and Transportation Planning (MPO).

Total resources available for General Fund expenditures for FY 2007 are \$65.1 million including the beginning fund balance of \$24.3 million. A substantial portion of General Fund resources comes from two revenue categories: 1) local sales and franchise taxes and 2) intergovernmental revenues (specific detail including comparative data, is shown in Schedule 3 of Financial Summaries Section). A more detailed review of major revenue categories, including historical trend information, is provided following the fund summaries.

Property tax estimates are based on the assessed valuation of property as determined by the Coconino County Assessor. The primary property tax rate was anticipated to be \$0.8261 in FY 2007, generating approximately \$4.8 million in primary property tax revenue. This rate included a 4 cent shift from the secondary property tax levy. This assessment represented approximately 48% of the maximum allowable levy under Arizona statute. However, due to changes in legislation, the City will experience a decrease in primary property tax revenues for FY2007 that may become permanent should the voters pass a November 2006 ballot measure that permanently decreases the primary property tax levy base. This change decreases primary property tax revenues by approximately \$400,000. The City will make up this shortfall through reductions in the Public Safety Retirement System contributions for FY2007 that came in at rates less than originally budgeted. This change also resets the property tax levy base so the City will be at 100% of the levy.

General Fund revenue/other sources compared to the year-end estimates and the prior year budget have increased by 1.7% and 22.2%, respectively. The City is anticipating growth in City sales tax, state shared revenues, grants, and new development review fees in FY 2007.

| REVENUES/OTHER SOURCES         | EST ACTUAL           | BUDGET               |
|--------------------------------|----------------------|----------------------|
|                                | FY2006               | FY 2007              |
| Licenses and permits           | \$ 2,827,688         | \$ 2,587,783         |
| Grants                         | 1,651,740            | 2,749,533            |
| Local taxes                    | 15,965,905           | 17,294,405           |
| Intergovernmental              | 14,337,356           | 15,922,828           |
| Fines and forfeits             | 998,519              | 1,009,701            |
| Fund Balance, net of Transfers | 20,440,677           | 14,164,432           |
| Fund Balance for Carryovers    | 35,000               | 2,509,553            |
| Charges for services           | 1,686,515            | 2,041,860            |
| Primary Property Tax           | 4,172,330            | 4,654,071            |
| Interest                       | 693,000              | 511,798              |
| Miscellaneous                  | 1,161,290            | 1,632,131            |
|                                | <b>\$ 63,970,020</b> | <b>\$ 65,078,095</b> |

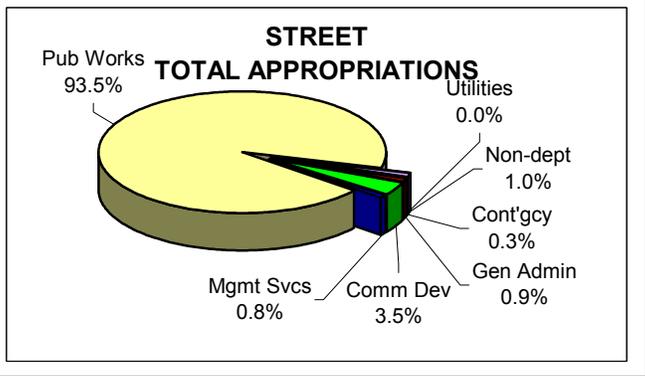
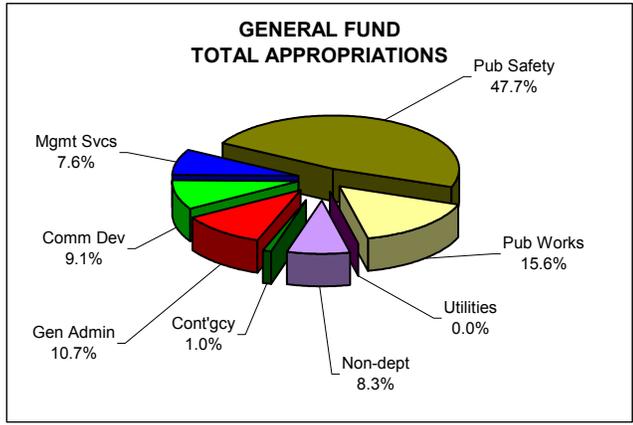


General Fund total appropriations compared to year-end estimates and the prior year's budget have increased by 36.2% and 19.9% respectively. The increase is due to increases in salaries, benefits, insurance, and capital projects. The city completed a 9% pay plan adjustment so that 100% of staff members are eligible for an average of 3.2% merit increase, for at least the next two years. In addition health insurance, dental insurance, the dependent subsidy and retirement all increased. Also, a number of capital items were carried over including Redevelopment, and a Type 1 fire engine.

The financial position of the General Fund (after cost allocation distribution) remains strong. Accumulated funds will continue to be spent in Flagstaff for development opportunities.

| APPROPRIATIONS         | EST ACTUAL<br>FY2006 | BUDGET<br>FY 2007    |
|------------------------|----------------------|----------------------|
| General Administration | \$ 5,002,598         | \$ 5,780,417         |
| Community Development  | 3,641,191            | 4,912,169            |
| Management Services    | 3,359,661            | 4,098,404            |
| Public Safety          | 22,614,068           | 25,770,459           |
| Public Works           | 6,439,941            | 8,434,929            |
| Utilities              | 28,757               | 14,932               |
| Non-departmental       | (1,740,756)          | 4,475,833            |
| Contingencies          | 280,000              | 500,000              |
|                        | <u>\$ 39,625,460</u> | <u>\$ 53,987,143</u> |

| APPROPRIATIONS         |                      |
|------------------------|----------------------|
| General Administration | \$ 230,386           |
| Community Development  | 884,940              |
| Management Services    | 205,898              |
| Public Works           | 23,906,500           |
| Utilities              | 3,503                |
| Non-departmental       | 250,476              |
| Contingency            | 100,000              |
|                        | <u>\$ 25,581,703</u> |

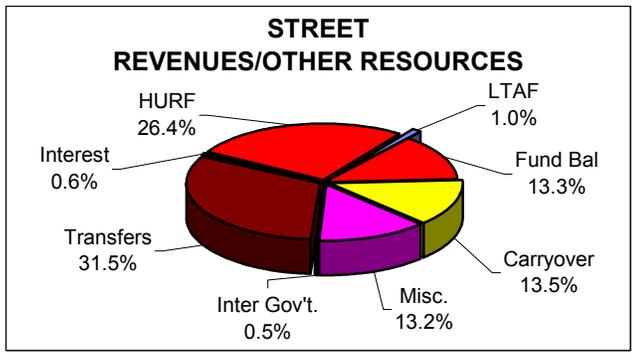


**HIGHWAY USER REVENUE FUND**

**TRANSPORTATION FUND**

| REVENUES/OTHER RESOURCES    |                      |
|-----------------------------|----------------------|
| HURF                        | \$ 7,659,080         |
| LTAF (lottery)              | 300,246              |
| Fund Balance                | 3,845,612            |
| Fund Balance for Carryovers | 3,905,443            |
| Miscellaneous               | 3,820,000            |
| Intergovernmental           | 137,510              |
| Transfers (net)             | 9,114,619            |
| Interest                    | 194,000              |
|                             | <u>\$ 28,976,510</u> |

The Transportation Fund was formed in FY 2001 as a result of voter authorization on May 16, 2000 to increase sales taxes to support four transportation issues. The tax increase is valid for twenty years. The Sales Tax revenue collected for transportation is recorded in this fund. The expenditures related to Transit and 4th Street Overpass are appropriated in this fund. Expenditures related to Safety Improvements and Street Improvements are accounted for in the HURF and Beautification funds. Appropriate transfers are made to fund the various projects that this tax supports.

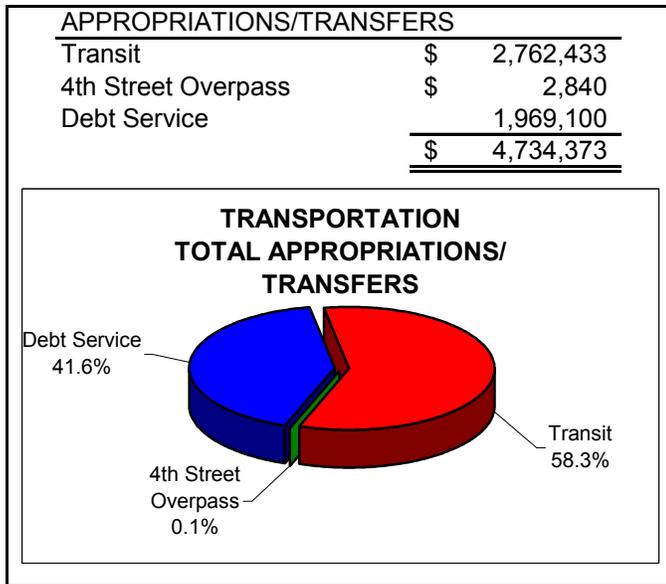
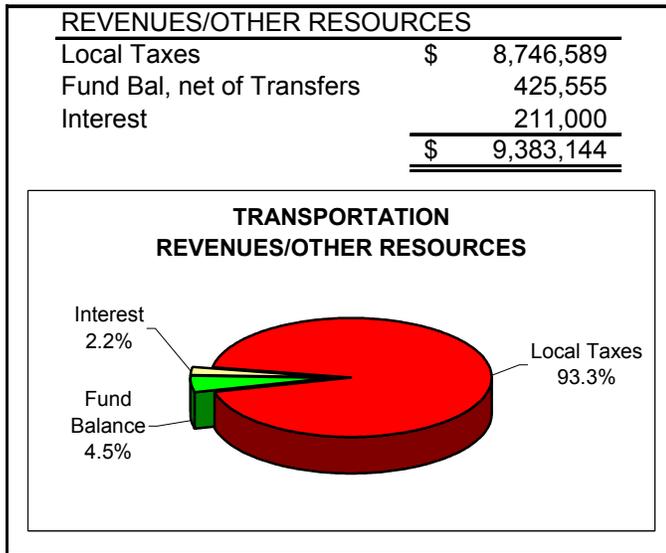


| Projects                             | Budget FY 2007<br>Revenues |
|--------------------------------------|----------------------------|
| 4th Street Overpass                  | \$ 2,328,546               |
| Safe-to-School, Pedestrian and Bike  | 1,164,268                  |
| Traffic Flow and Safety Improvements | 2,706,932                  |
| Transit Service Enhancements         | 2,546,843                  |
| Totals                               | <u>\$ 8,746,589</u>        |

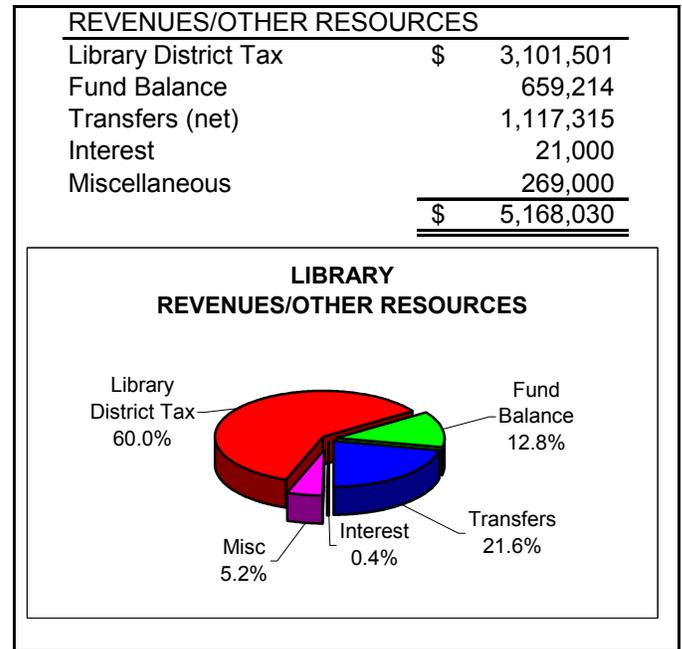
The Highway User Revenue Fund (HURF) is mainly supported by transportation related taxes distributed to the Cities and Counties by the State. Appropriations total \$25.6 million in FY 2007. Projects budgeted includes the annual pavement maintenance program, East Flagstaff Gateway, and Sunnyside Street Improvements.

Appropriations total \$4.7 million in FY 2007. Appropriations are comprised of \$2.8 million for transit operations, \$2,840 for the 4th Street overpass, and \$1.9 million for debt service. Transfers include \$6.4 million to the HURF Fund for Safety and Street Improvements and \$1.4 million to fund FUTS projects in Beautification from Safety and Street Improvements, and \$0.2 million to BBB Recreation. The combined transportation tax rate for FY 2007 is 0.601%.

## TRANSPORTATION FUND (CONTINUED)

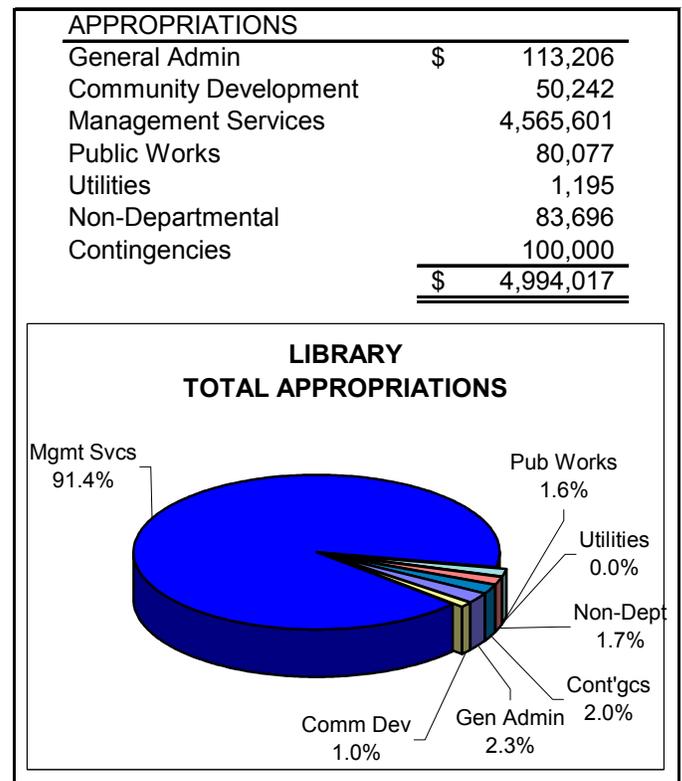


## LIBRARY FUND



The City operates a joint City-County Public Library with auxiliary programs in outlying county locations and bookmobile services. \$3.1 million of the funding for library operations comes from the library district tax.

During 1997, the County, in concert with the affected entities throughout, developed a new funding formula for the distribution of the tax. The formula provides a base amount for all entities and the distribution of any additional monies as directed by the Library Council with affirmation by the County Board of Supervisors.



## BBB FUNDS

A dedicated 2% Bed, Board and Booze sales tax collected on the services provided by lodging, restaurants and bars, was approved by voters in 1988 with a sunset clause in 10 years and extended by the voters for 15 years in the 1996 general election. The BBB tax approved by voters will expire in 2013. The funds were allocated into the following percentages:

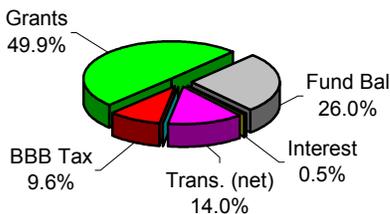
|                      |       |
|----------------------|-------|
| Economic Development | 9.5%  |
| Beautification       | 20.0% |
| Tourism              | 30.0% |
| Recreation           | 33.0% |
| Arts & Science       | 7.5%  |

Since inception, the City has experienced a continual growth in BBB revenues. Revenue for fiscal year 2007 is anticipated to have a growth of 4.4%. Activities funded with the revenues have made operating adjustments necessary and these changes will be reflected within each five-year plan.

**Beautification Fund:** Total resources available for Beautification Fund activities amount to \$9.6 million including carryovers and approved grants. Expenditures from this fund are primarily for capital improvements. (See the CIP Section for project list.)

| REVENUES/OTHER RESOURCES |                     |
|--------------------------|---------------------|
| BBB Tax                  | \$ 931,577          |
| Grants                   | 4,817,744           |
| Fund Balance             | 2,505,716           |
| Interest                 | 49,300              |
| Transfers (net)          | 1,350,799           |
|                          | <u>\$ 9,655,136</u> |
| APPROPRIATIONS           |                     |
| Community Development    | \$ 9,542,128        |
| Reserve                  | 10,000              |
|                          | <u>\$ 9,552,128</u> |

### BEAUTIFICATION REVENUES/OTHER RESOURCES



**Tourism Fund:** Total resources available in FY 2007 are \$1.9 million. The total appropriations are \$1.8 million, which includes a \$50,000 reserve for contingencies.

| REVENUES/OTHER RESOURCES   |                     |
|----------------------------|---------------------|
| BBB Tax                    | \$ 1,397,365        |
| Grant Revenues             | 50,000              |
| Fund Bal, net of Transfers | 367,203             |
| Interest                   | 21,013              |
| Retail Sales               | 42,000              |
| Miscellaneous              | 25,000              |
|                            | <u>\$ 1,902,581</u> |
| APPROPRIATIONS             |                     |
| General Administration     | \$ 1,822,828        |
| Reserve                    | 50,000              |
|                            | <u>\$ 1,872,828</u> |

### TOURISM REVENUES/OTHER RESOURCES

| Category     | Percentage |
|--------------|------------|
| BBB Tax      | 73.5%      |
| Fund Bal     | 19.3%      |
| Retail Sales | 2.2%       |
| Misc         | 1.3%       |
| Grant Rev.   | 2.6%       |
| Interest     | 1.1%       |

Expenditures include ongoing marketing programs and one-time expenditures for capital. Included in the budget for Tourism is a strategic plan intended to provide guidance in determining markets, promotion directed at these markets, and measurement tools.

**Arts & Science Fund:** Total resources available for Arts & Science activities are \$665,487. Expenditures include contributions to local organizations and Art in Public Places. Contributions to Other Agencies are \$285,000 and Art in Public Places has \$280,831 that is derived from a 1% allocation from citywide eligible capital project expenditures and a one-time transfer of fund balance. Administrative expense of \$46,125 is paid to the Flagstaff Cultural Partners. Revenues received from the BBB tax are estimated to be \$349,341.

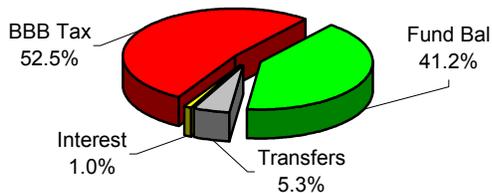
**REVENUES/OTHER RESOURCES**

|              |    |                |
|--------------|----|----------------|
| BBB Tax      | \$ | 349,341        |
| Fund Balance |    | 274,289        |
| Transfers    |    | 35,000         |
| Interest     |    | 6,857          |
|              | \$ | <u>665,487</u> |

**APPROPRIATIONS**

|                       |    |                |
|-----------------------|----|----------------|
| Community Development | \$ | 621,487        |
| Reserve               |    | 10,000         |
|                       | \$ | <u>631,487</u> |

**ARTS & SCIENCE  
REVENUES/OTHER RESOURCES**



**Recreation Fund:** Total appropriations in FY 2007 for Recreation Fund activities are \$4.8 million. FY 2007 includes the continued improvements to Thorpe Park. Per discussion with City Council in the Spring 1996 retreat, Council concluded this funding should support the expansion of existing facilities and the associated maintenance. Because of this decision, a significant increase in Parks maintenance will be funded from these revenues due to the completion of various projects. The Council elected to maintain the property rate at an amount sufficient to maintain the debt service structure of the programmed capital and related maintenance.

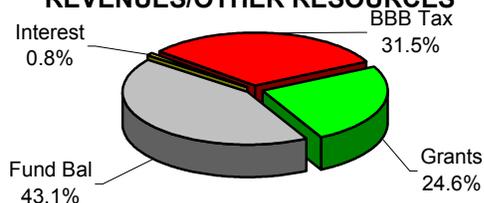
**REVENUES/OTHER RESOURCES**

|                            |    |                  |
|----------------------------|----|------------------|
| BBB Tax                    | \$ | 1,537,101        |
| Other Financing Sources    |    | 1,200,000        |
| Fund Bal, net of Transfers |    | 2,101,876        |
| Interest                   |    | 39,400           |
|                            | \$ | <u>4,878,377</u> |

**APPROPRIATIONS**

|              |    |                  |
|--------------|----|------------------|
| Public Works | \$ | 4,809,145        |
|              | \$ | <u>4,809,145</u> |

**RECREATION  
REVENUES/OTHER RESOURCES**



**Economic Development Fund:** Economic Development is conducted primarily by the Greater Flagstaff Economic Council (GFEC). The City allocates \$403,000 to GFEC, and \$214,000 for incubator funds. Business recruitment efforts target industries that conform to both community and environmental values (low water users, low and non-toxic sewer dischargers, good wage/benefit structure, good corporate citizens, home offices).

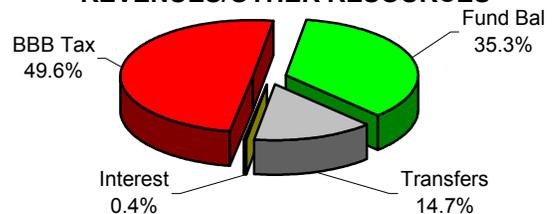
**REVENUES/OTHER RESOURCES**

|              |    |                |
|--------------|----|----------------|
| BBB Tax      | \$ | 442,499        |
| Fund Balance |    | 314,247        |
| Transfers    |    | 131,000        |
| Interest     |    | 3,544          |
|              | \$ | <u>891,290</u> |

**APPROPRIATIONS**

|                  |    |                |
|------------------|----|----------------|
| Non Departmental | \$ | 621,400        |
| Reserve          |    | 25,000         |
|                  | \$ | <u>646,400</u> |

**ECONOMIC DEVELOPMENT  
REVENUES/OTHER RESOURCES**



**OTHER FUNDS**

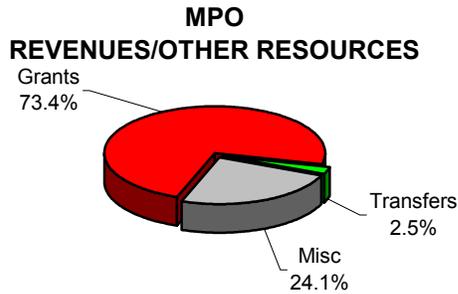
**Metropolitan Planning Organization:** This fund was established to account for funding derived from the area's status as a designated Metropolitan Planning Organization (MPO). The MPO receives Federal funding administered through the Arizona Department of Transportation (ADOT).

**REVENUES/OTHER RESOURCES**

|               |    |                  |
|---------------|----|------------------|
| Grants        | \$ | 746,417          |
| Transfers     |    | 25,000           |
| Miscellaneous |    | 245,000          |
|               | \$ | <u>1,016,417</u> |

**APPROPRIATIONS**

|                       |    |                  |
|-----------------------|----|------------------|
| Community Development | \$ | 740,220          |
| Non-Departmental      |    | 36,197           |
| Contingency           |    | 240,000          |
|                       | \$ | <u>1,016,417</u> |



The MPO has appropriated \$1,016,417 for this program for FY 2007. This includes operating funds for transportation and transit planning. Transit operating funds are not included in this budget since that service is contracted through Coconino County.

**Housing and Community Services:**

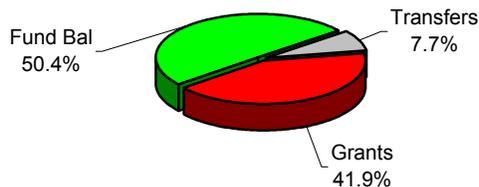
**REVENUES/OTHER RESOURCES**

|              |    |                  |
|--------------|----|------------------|
| Grants       | \$ | 1,852,729        |
| Fund Balance |    | 2,232,017        |
| Transfers    |    | 341,953          |
|              | \$ | <u>4,426,699</u> |

**APPROPRIATIONS**

|                       |    |                  |
|-----------------------|----|------------------|
| Community Development | \$ | 4,362,961        |
|                       | \$ | <u>4,362,961</u> |

**HOUSING AND COMMUNITY SERVICES REVENUES/OTHER RESOURCES**



This fund finances activities in conjunction with the CDBG program and affordable housing activities. There is \$4.4 million appropriated to this activity for FY 2007. Expenditures in this fund include \$1.8 million for land acquisition, \$2.1 million in CDBG related activities, and \$400,000 in state grants activities.

**Real Estate Proceeds:** The Real Estate Proceeds fund is currently restricted to the purchase of real estate. The appropriations total \$150,000 and fund acquisition of open spaces.

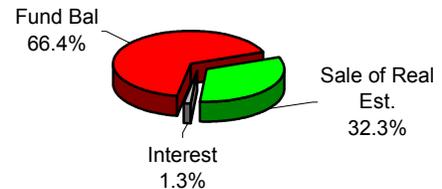
**REVENUES/OTHER RESOURCES**

|                     |    |                  |
|---------------------|----|------------------|
| Fund Balance        | \$ | 2,467,612        |
| Sale of Real Estate |    | 1,200,000        |
| Interest            |    | 47,350           |
|                     | \$ | <u>3,714,962</u> |

**APPROPRIATIONS**

|                  |    |                  |
|------------------|----|------------------|
| Transfers        | \$ | 2,881,000        |
| Non-Departmental |    | 150,000          |
|                  | \$ | <u>3,031,000</u> |

**REAL ESTATE PROCEEDS REVENUES/OTHER RESOURCES**



**ENTERPRISE FUNDS**

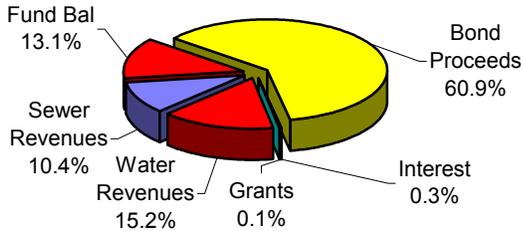
**UTILITIES FUND:** The City's water and wastewater operations are operated as an Enterprise Fund activity, i.e., self-sustaining operations with user fees and charges based on a "cost-of-service" methodology. The rate model determines the minimum revenue requirements needed to support operations including: all operating and maintenance costs; capital improvements considered routine in nature; principal and interest payments on bonded debt related to utility construction; and maintaining a year-end fund balance sufficient to ensure adequate working capital. Total appropriations for the Utilities Fund are \$52.5 million. Resources include \$11.6 million in water revenues and \$8.0 million in sewer revenues.

**Water Operations:** Total appropriations relating to direct costs for the water operations are \$28.2 million. Water fees are the major source of revenue supporting water operations. Bond funds support well development and land acquisition. Revenue estimates total \$11.6 million for water sales. A rate increase of 4.5% will be considered in FY 2007 and FY 2008 to help repay debt service for bond projects.

**REVENUES/OTHER RESOURCES**

|                            |                      |
|----------------------------|----------------------|
| Water Revenues             | \$ 11,598,026        |
| Sewer Revenues             | 7,973,600            |
| Fund Bal, net of Transfers | 10,018,243           |
| Bond Proceeds              | 46,600,000           |
| Grant Revenue              | 57,765               |
| Interest                   | 254,000              |
|                            | <u>\$ 76,501,634</u> |

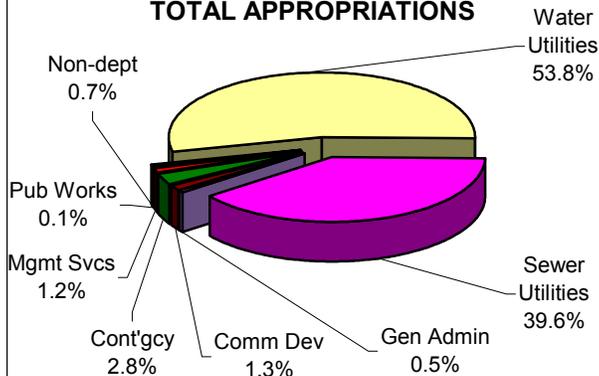
**UTILITIES REVENUES/OTHER RESOURCES**



**APPROPRIATIONS**

|                        |                      |
|------------------------|----------------------|
| General Administration | \$ 286,665           |
| Community Development  | 705,952              |
| Management Services    | 631,466              |
| Public Works           | 47,411               |
| Non-departmental       | 387,120              |
| Water Utilities        | 28,244,631           |
| Sewer Utilities        | 20,795,842           |
| Contingency            | 1,400,000            |
|                        | <u>\$ 52,499,087</u> |

**UTILITIES TOTAL APPROPRIATIONS**



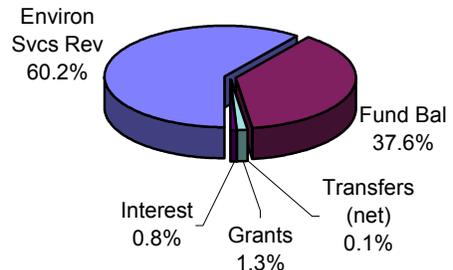
**Wastewater Operations:** Total appropriations relating to the direct costs for the wastewater operations are \$20.8 million. Wastewater (sewer) fees are the major source of revenue supporting wastewater operations. Bonds will fund major improvements to the Wildcat Wastewater Treatment facility. Revenue estimates total \$8.0 million in wastewater service charges. A rate increase of 3.5% is expected to begin January 2007 with an additional 3.5% in January 2008 to help repay debt service for bond projects.

**ENVIRONMENTAL SERVICES FUND:** Total financial resources are \$15.9 million. User fees are the major revenue source of solid waste disposal operations. The user fees are comprised of eight major customer services areas (residential sanitation, curbside recycling, commercial sanitation, hoist and haul, landfill dumping, inert materials pit, environmental, and commercial recycling) with different rates for each category based on cost of service.

**REVENUES/OTHER RESOURCES**

|                            |                      |
|----------------------------|----------------------|
| Environmental Svcs Revenue | \$ 9,617,577         |
| Fund Bal                   | 5,995,144            |
| Transfers (net)            | 13,012               |
| Grants                     | 200,000              |
| Interest                   | 120,753              |
|                            | <u>\$ 15,946,486</u> |

**ENVIRONMENTAL SERVICES REVENUES/OTHER RESOURCES**

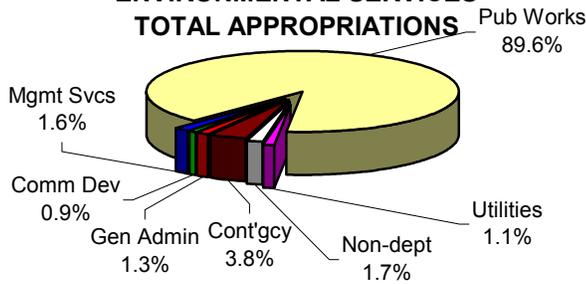


Currently, the existing landfill rate structure provides cost recovery for ongoing operations as well as provisions for funding replacement equipment; closure and regulatory compliance costs related to mitigation of environmental contamination and/or degradation; as well as for future site requirements. Based on current estimates for closure and post-closure landfill costs, the City is setting aside legally restricted funds to insure sufficient funds will be available to meet these requirements.

**APPROPRIATIONS**

|                        |    |                   |
|------------------------|----|-------------------|
| General Administration | \$ | 168,627           |
| Community Development  |    | 120,107           |
| Management Services    |    | 217,261           |
| Public Works           |    | 11,813,101        |
| Utilities              |    | 150,338           |
| Non-departmental       |    | 217,854           |
| Contingency            |    | 500,000           |
|                        | \$ | <u>13,187,288</u> |

**ENVIRONMENTAL SERVICES  
TOTAL APPROPRIATIONS**

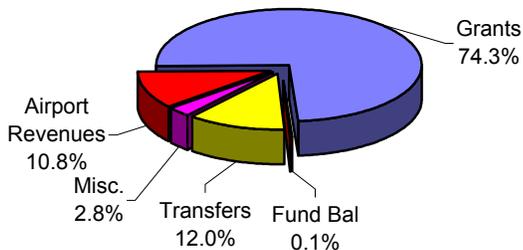


**AIRPORT FUND:** Pulliam Airport is located four miles south of downtown Flagstaff and is staffed seventeen hours per day, seven days each week and provides airline service to Phoenix. Total appropriations are \$11.6 million: \$1.4 million for operations, \$580,114 for debt and \$9.7 million in capital outlay. Primarily FAA and ADOT grants will fund the capital improvements.

**REVENUES/OTHER RESOURCES**

|                  |    |                   |
|------------------|----|-------------------|
| Airport Revenues | \$ | 1,264,725         |
| Grants           |    | 8,686,420         |
| Fund Balance     |    | 10,779            |
| Transfers (net)  |    | 1,400,457         |
| Miscellaneous    |    | 334,877           |
|                  | \$ | <u>11,697,258</u> |

**AIRPORT  
REVENUES/OTHER RESOURCES**

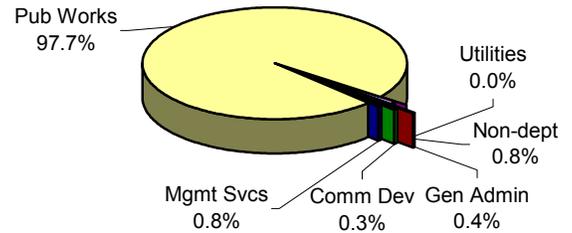


The general fund will continue to subsidize operations at \$357,000 this year with an additional \$223,000 for capital improvements including matching funds for grants. This year, of the \$9.7 million in capital improvements, FAA and ADOT are funding \$8.7 million and Airpark proceeds will fund \$660,595. The secondary property tax fund will transfer \$193,429 to cover debt service not paid with passenger facility charges.

**APPROPRIATIONS**

|                        |    |                   |
|------------------------|----|-------------------|
| General Administration | \$ | 47,792            |
| Community Development  |    | 30,046            |
| Management Services    |    | 91,181            |
| Public Works           |    | 11,419,581        |
| Utilities              |    | 725               |
| Non-departmental       |    | 96,716            |
|                        | \$ | <u>11,686,041</u> |

**AIRPORT  
TOTAL APPROPRIATIONS**

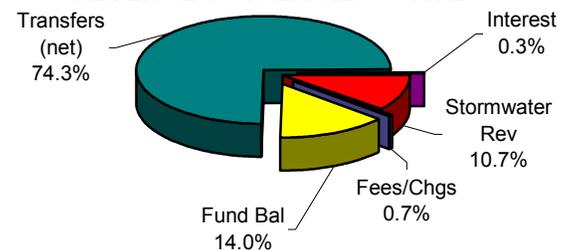


**STORMWATER FUND:** The Stormwater fund was initiated as a response to enhanced NPDES stormwater requirements affecting all communities with populations greater than 50,000 as of March 2003. The City of Flagstaff worked with consultants to design a program that met current minimum NPDES standards. Stormwater fees to both residential and commercial customers are stepped based on every 1,500 square feet of impervious area with the average monthly billing estimated at \$1.84. A rate increase has been approved for FY 2007.

**REVENUES/OTHER RESOURCES**

|                     |    |                  |
|---------------------|----|------------------|
| Stormwater Revenues | \$ | 999,374          |
| Fees & Charges      |    | 66,790           |
| Fund Balance        |    | 1,304,411        |
| Transfers (net)     |    | 6,907,458        |
| Interest            |    | 22,827           |
|                     | \$ | <u>9,300,860</u> |

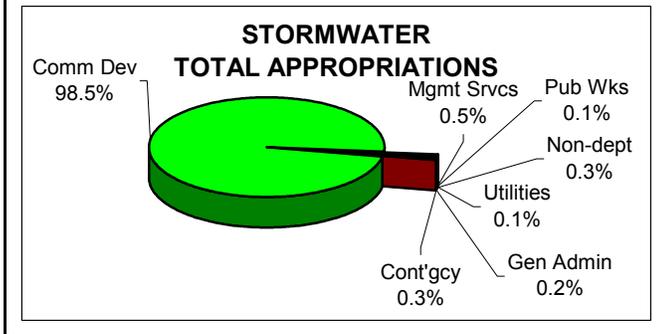
**STORMWATER  
REVENUES/OTHER RESOURCES**



Total revenues/other resources include carry forward transfers of \$7.0 million from the general fund. The Rio de Flag project has been transferred in its entirety from the General Fund to Stormwater. Total appropriations of \$8.9 million include the operational components of NPDES implementation, general drainage maintenance, and the Rio de Flag including related parking.

## APPROPRIATIONS

|                       |    |                  |
|-----------------------|----|------------------|
| General Admin         | \$ | 18,381           |
| Community Development |    | 8,873,710        |
| Management Services   |    | 49,373           |
| Public Works          |    | 8,273            |
| Utilities             |    | 9,812            |
| Non-departmental      |    | 28,034           |
| Contingency           |    | 10,000           |
|                       | \$ | <u>8,997,583</u> |



## FIVE-YEAR PROJECTIONS BY FUND

The City updates five-year plans annually during the budget process. These plans are an important tool to continue our emphasis on strategic planning and to identify the capacity of the City to fund projected expenditures. Revenue and resource estimates are based on the latest available economic and demographic trend information. All significant expenditure issues have been incorporated into the projections including the following: employee compensation, City growth, and additional operational costs associated with completion of capital projects. The projections are not intended to be an exact prediction of what each department will spend in the next five years.

The policy of the City is to match ongoing expenditures with ongoing revenues. This policy is to assure that the funds have adequate revenues to support the continued operations. Several funds will use one-time revenues and fund balance to pay for capital equipment, capital improvements, and other types of one-time expenditures. Generally when you see major fluctuation in fund balance from beginning to ending, the change is related to carryover and/or budgeting of such items. Funds such as the General, Highway User, Transportation, Beautification, BBB-Recreation, Real Estate Proceeds, Housing and Community Services, Capital Projects Bond Funds rely heavily on these one-time expenditure commitments.

The preparation of the five-year plan is a cooperative effort between department heads, division heads, and budget staff to assure projections are based in current program needs and revenue estimates are achievable.

The five-year projections are located in the Financial Summary section, Schedule 11. The following narratives present the highlight of the forecasts by funds:

## GENERAL

The primary purpose of the General Fund five-year projections is to assure that ongoing revenues are meeting or exceeding ongoing expenditures. Ongoing expenditures include debt service, fleet replacements, information system replacement and upgrades, an allocation for capital, and projected changes in personnel. As financial conditions change in the City, the five-year projections are continually updated to balance the ongoing sources and uses of funds.

The City is currently funding several projects with Fund Balance and non-recurring revenues. Such projects include redevelopment, the Flagstaff Mall expansion, and Rio de Flag flood control.

## LIBRARY

The five-year plan for Library shows the ability to fund ongoing operations costs with funding from the City, through revenue transfers, and the County, through Library District Taxes.

## HIGHWAY USER

This fund is devoted to the maintenance, improvements, and construction of street related items. The fund first matches ongoing revenues with ongoing maintenance and then plans out the capital equipment and improvements. Several capital improvements include portions that are funded through revenue transfers from other funds. The five-year plan shows the ability to balance ongoing and one-time expenditures while maintaining an adequate fund balance.

## TRANSPORTATION

The Transportation Fund is used to track revenues and expenditures related to a dedicated sales tax approved by voters. The five-year plan shows the completion of a 4th Street Overpass in FY 2006 and the ongoing funding of the transit system, which is operated by the County. Other projects are funded through revenue transfers to the fund where the projects are budgeted.

## BEAUTIFICATION

The primary sources for this fund include; BBB Tax, Grants and Revenue Transfers. This fund primarily accounts for capital projects related to FUTS and Streetscapes. It is an ongoing effort to balance the amount of projects within the availability of revenues. This five-year plan shows how it is accomplished.

## ECONOMIC DEVELOPMENT

This fund is balanced with ongoing revenues from BBB taxes, General Fund transfers, and ongoing expenditures related to contributions to agencies for economic development in our community. Based on revenue growth, contributions will be maintained or slightly increased over the next five years.

## TOURISM

This fund is balanced with ongoing revenues from BBB taxes and ongoing expenditures related to tourism

promotion and visitor center services. Based on revenue growth, this fund can maintain existing operations levels.

### **ARTS AND SCIENCE**

This fund is balanced with ongoing revenues from BBB taxes and ongoing expenditures related to contributions to agencies for projects related to awareness of arts and science in our community. Based on revenue growth, contributions will be maintained or slightly increased over the next five years.

### **RECREATION-BBB**

This fund is used for the improvements to city and school recreational parks and fields. In addition, maintenance cost related to the improved parks and fields, maintenance of FUTS trails, debt service of bonds issued for improvements, and a transfer for construction of new FUTS trails are funded with ongoing revenues. Based on current projections, maintenance and construction needs will be met during the next five years.

### **REAL ESTATE PROCEEDS**

This fund is used for one-time revenues and expenditures related to sale and acquisition of property. The City plans to sell property in Koch Field in the future. The fund balance is currently restricted for acquisition of open spaces. As the City sells additional properties, those funds will be restricted for a similar purchase of land as intended with the original land acquisition. Current projections allow open space acquisitions through fiscal year 2009.

### **HOUSING AND COMMUNITY SERVICES**

This fund is primarily used to track revenues and expenditures related to Community Development Block Grants and other housing grants. The block grants are an entitlement to the City and are expected to stay level over the next 5 years. The City currently expects to receive State housing grants every other year. The City General Fund makes contributions annually to fund a revolving loan program, land acquisition, and affordable housing assistance.

### **METROPOLITAN PLANNING ORGANIZATION**

This fund is used for transportation planning grants. The fund maintains a zero fund balance due to current grant eligible expenditures are offset with grant revenue. It is currently estimated that grant revenues will remain consistent throughout the next five years.

### **GENERAL OBLIGATION BOND**

This fund is used to track the debt service payments on General Obligation Bonds. This five-year plan shows the City is meeting the requirements for future debt service payments.

### **SECONDARY PROPERTY TAX**

This fund is used for tracking of secondary property tax revenue and the subsequent transfer to other funds to make debt service requirements. The five-year

projection uses the current assessed valuation figures from the county to estimate property taxes that will be available for debt service expenditures. The projection assumes additional voter authorization to be issued in the future and maintaining the existing tax rate. This allows the City to look at the long-term property tax rates to smooth the highs and lows and maintains a more level tax rate from year to year.

### **SPECIAL ASSESSMENT BOND**

This fund is set up for repayment of bonds issued for special assessment district. The City currently has one such district. The five-year projections show there are adequate assessments and fund balance to pay future debt service requirements.

### **CAPITAL PROJECTS BOND**

This fund will be used to track the revenues and expenditures of the voter approved bond eligible projects. In May of 2004, the voters of Flagstaff approved ten projects. The exception will be for the Water and Wastewater projects that will be presented in the Utilities five-year plan. Projects/bond sales are currently scheduled to coincide with the retirement of other debt so the overall secondary property tax rate does not increase.

### **PERPETUAL CARE**

This fund is currently used for the tracking of contributions related to long-term maintenance at the City owned cemetery. Expenditures will not be budgeted until fund balance is adequate enough to pay for ongoing expenditures.

### **WATER AND WASTEWATER**

As a City enterprise fund, this fund is managed on the basis that it will be self-sustaining. The five-year projections show that ongoing expenditures, capital improvements, and debt service requirements are being met with user fees, fund balance, and interest earnings. In addition to the five-year projections, the City uses a rate model to balance future operations and capital requirements with anticipated revenues over a ten-year period. Based on this model that was updated in 2006, a rate increase is anticipated in January 2007 to fund bond projects. The City maintains a separate five-year plan for the tracking of bond eligible expenditures.

### **AIRPORT**

This fund is responsible for the operations at Flagstaff Pulliam Airport. The majority of future revenues are grants related to continued expansion and capital improvements at the airport. Currently the airport is not self-sustaining for ongoing expenditures. It is the goal of the Airport Fund to become self-sustaining through additional Airpark developments and the expansion of the runway to allow regional jet service. Until then, the General Fund will make contributions to cover the differences. The capital improvement plan is based on annual updates to ADOT and FAA. The City General

Fund also makes a transfer to the Airport Fund to cover the match portion of capital grants awarded.

### ENVIRONMENTAL SERVICES

This enterprise fund is self-sustaining through user fees. The five-year projection balances anticipated revenues at current rates with a proposed increase for FY2008, which coincide with on-going operations; capital needs, and revised service levels for all operations. Included in the five-year projection is the anticipated funding to cover the landfill closure and post-closure costs at the end of the useful life of the landfill.

### STORMWATER

This fund is an enterprise fund to oversee City issues related to drainage and the associated federal requirements. Ongoing operating expenditures are paid for with stormwater revenues and user fees. Capital projects are currently funded with transfers from other divisions. A rate increase was approved for FY 2007 to self-fund capital improvements and increase inspection efforts as required by NPDES.

### FIREMEN'S PENSION

This fund is maintained to pay eligible volunteer firemen monthly benefits. There are currently three beneficiaries. The five-year projection show adequate fund balance to pay these benefits.

### REVENUES

Historical Trend Information for Select Revenues

### GENERAL FUND

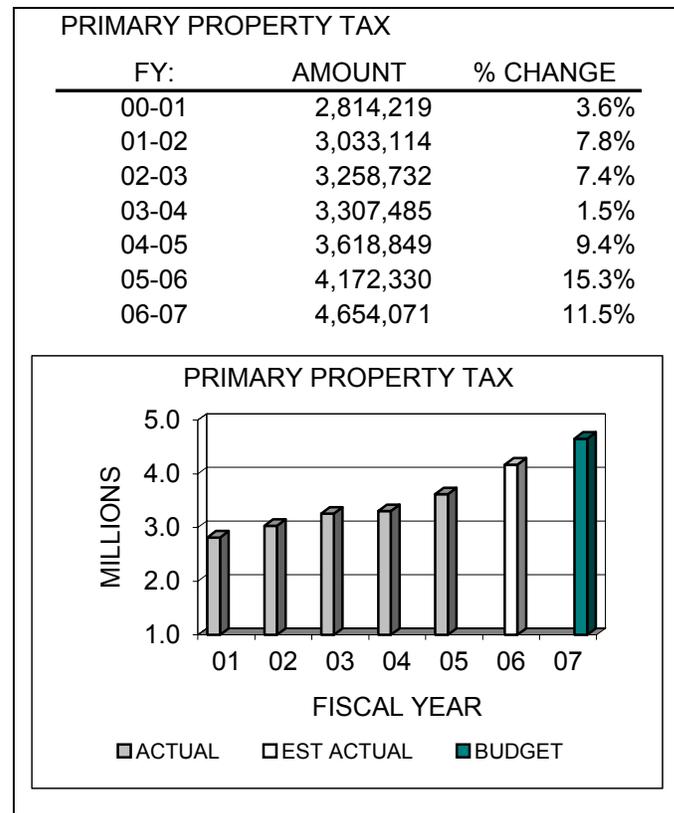
#### PROPERTY TAX RECEIPTS CURRENT, PRIMARY

Legal Authority: Arizona Revised Statutes Section 42-45 (B) based on the State Constitution Article 9, Section 18. Revised through HB2876, June 2006.

Description: The property tax is levied each year on or before the third Monday in August based on full cash value of the assessed property as determined by the Coconino County Assessors' Office.

Receipts from primary property taxes levied by the City are deposited in the General Fund. No restrictions on usage apply to the primary property tax. State statute limits the annual increase to 2% plus the amount generated by construction. This legal restriction had no impact on the City as the City had levied less than 50% of the maximum allowed. For FY 2007, legislation was introduced through an omnibus bill and signed by the governor that changed the base amount to the amount assessed in tax year 2005. This change decreased the City's ability to assess property tax dramatically. As the legislation came so late in the City budget process, and most of the legal schedules had been published, the City opted to leave the primary property tax budget at the

original amount, however it is recognized that approximately \$400,000 less in revenue will be realized. The establishment of a new base amount will be brought to the voters in the November general election. The table below reflects the amount that is currently budgeted. The actual revenue expectation is \$4,261,170 which is a 2.1% increase overall estimated FY2006 collections.



Primary property taxes generally change on an annual basis for two reasons: new construction that is added to the tax rolls and the reassessment of existing property. New construction added over \$15 million dollars to the assessed valuation for FY2007. The City budgets the collections net of a 3% delinquency factor.

Secondary property taxes are also assessed and collected into a City debt service fund. These receipts can only be used to repay general obligation debt. No annual limitations apply, as this rate is determined by the requirements of the debt repayment schedule.

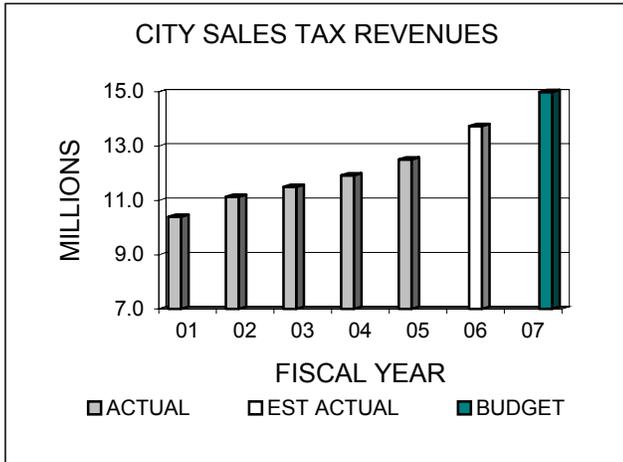
#### CITY SALES TAX (TRANSACTION PRIVILEGE TAX)

Legal Authority: City Code, Title 3, Chapter 5, (Ordinance 1491)

Description: The single largest revenue source for the City is obtained from a 1% tax on the sales of goods. The sale of food for home consumption is exempted from the tax. Additional sales taxes levies include a 2% tax on hotels, restaurants and bars (BBB Tax) and a 0.601% transportation tax.

**CITY SALES TAX**

| FY:   | AMOUNT     | % CHANGE |
|-------|------------|----------|
| 00-01 | 10,402,910 | 3.3%     |
| 01-02 | 11,135,228 | 7.0%     |
| 02-03 | 11,500,467 | 3.3%     |
| 03-04 | 11,917,786 | 3.6%     |
| 04-05 | 12,500,038 | 4.9%     |
| 05-06 | 13,730,233 | 9.8%     |
| 06-07 | 14,981,233 | 9.1%     |



The 1% portion is designated as General Fund revenue to support activities and services provided by the City government. Bed, Board and Booze (BBB) and Transportation taxes are presented separately in this section.

The City removed a number of deductions previously granted for sales tax calculations. The deleted deductions include the fair market value of land deduction and a deduction for commercial properties that only have a single tenant. The City expects to generate approximately \$240,000 additional revenue through this action.

These numbers are sales tax revenues only; audit assessments and penalty and interest revenues are combined with these numbers on schedule 3. The increase in revenues for FY 2006 was driven by increases in construction, tourism and retail sales. Construction remains strong, primarily in residential. The revenue projection for FY 2007 anticipates continued increases in construction with more moderate projections in other local economic sectors.

**STATE SALES TAX**

Legal Authority: Arizona Revised Statutes Section 42 - 1341 (D)

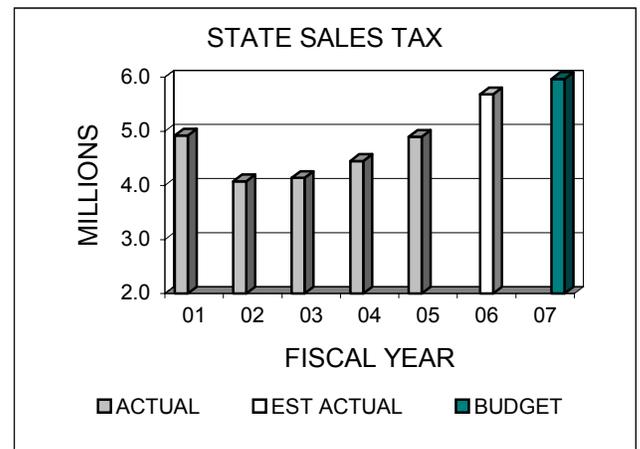
Description: A half-cent (.5%) portion of the five-cent (5%) State Sales Tax collected is divided among the State's cities and towns based on population. These

revenues can be used for any municipal purpose and, therefore, are deposited in the General Fund to support activities and services provided by the general government.

The sales tax revenue projected for FY 2007 reflects the continued economic rebound at the state level.

**STATE SALES TAX**

| FY:   | AMOUNT    | % CHANGE |
|-------|-----------|----------|
| 00-01 | 4,919,575 | 2.8%     |
| 01-02 | 4,076,034 | -17.1%   |
| 02-03 | 4,136,724 | 1.5%     |
| 03-04 | 4,449,982 | 7.6%     |
| 04-05 | 4,900,116 | 10.1%    |
| 05-06 | 5,681,000 | 15.9%    |
| 06-07 | 5,965,050 | 5.0%     |



**STATE INCOME TAX (REVENUE SHARING)**

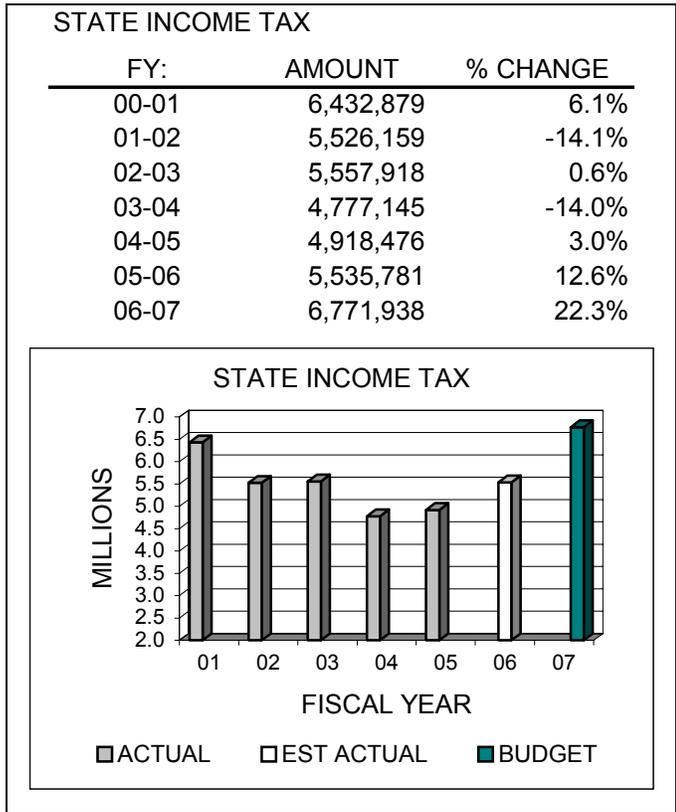
Legal Authority: Arizona Revised Statutes Section 43 - 244 (B)

Description: The City shares in 15.8% of the State income tax collected based on the population of the cities and towns as reported in the 2000 Census and adjusted by the annual DES POPTAC estimates. A two-year lag exists between the year of distribution and collection and the reporting year for which the income tax returns are filed. Therefore, little variance is expected between amounts estimated in the budget and actual receipts. Because revenues can be used for any municipal purpose, funds received are deposited in the General Fund to support the services and activities of the general government.

The FY 2002 reduction is a direct result of the 2000 Census count, which was 10,000 less than previously projected.

The large decrease in FY 04 is due to the State receiving less revenue from income tax than previously estimated. All cities have received a proportionate

decrease. The League of Arizona Cities and Towns provides the revenue estimates for FY 2007. The increase in FY 2007 is due to Flagstaff's relative population has increased in comparison to the rest of the state.



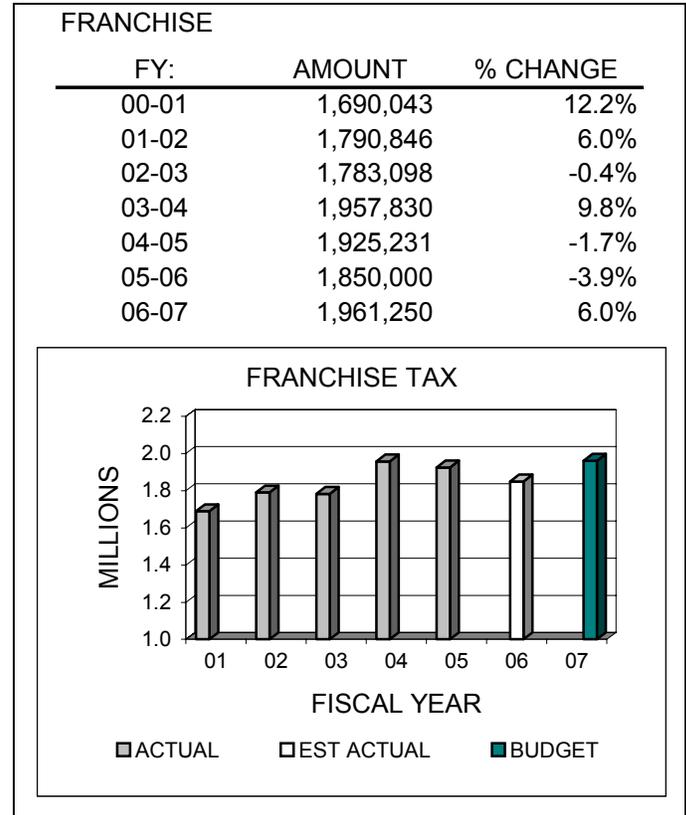
**FRANCHISE TAX**

Legal Authority: Flagstaff Charter and City Code Article XII

Arizona Public Service: Ordinance 360 (expires 8-21-2011), UniSource Energy Services: Ordinance 1879 (expires 10-3-2020), US West, MCI, US Sprint, Central Corp, and A T & T: Ordinance 585. The City has an agreement with Flagstaff Cablevision that expired 12-30-2000, and is close to completion.

Description: A 2% tax from utility companies--Arizona Public Service and UniSource--is credited to this account. The City also receives a franchise tax from Qwest Telephone Co., A T & T, Flagstaff Cablevision, MCI, US Sprint, and Central Corp; these entities are currently taxed at 2% except Flagstaff Cablevision that is taxed at 3%.

The growth rate for Franchise Tax revenue in FY 2007 is anticipated due to the renegotiated contract with Flagstaff Cablevision.



**FINES & FORFEITURES**

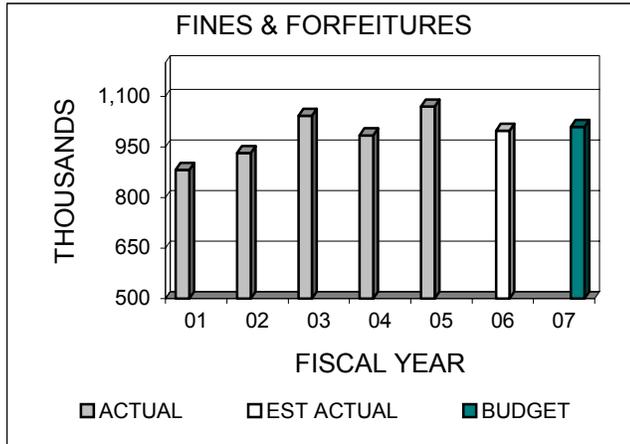
Legal Authority: Arizona Revised Statutes, Rules of Criminal Procedure  
City Code, Title 1, Chapter 15, Section 8

Description: Revenues are derived from a multitude of fines and forfeitures that relate to fines ordered by the court magistrates and administrative charges for Traffic School. Other miscellaneous fees allowed include court reimbursements and court collection fees.

The increase in FY 2005 was due to the inception of the FARE program. Fiscal years 2006 and 2007 reflect normalized collections.

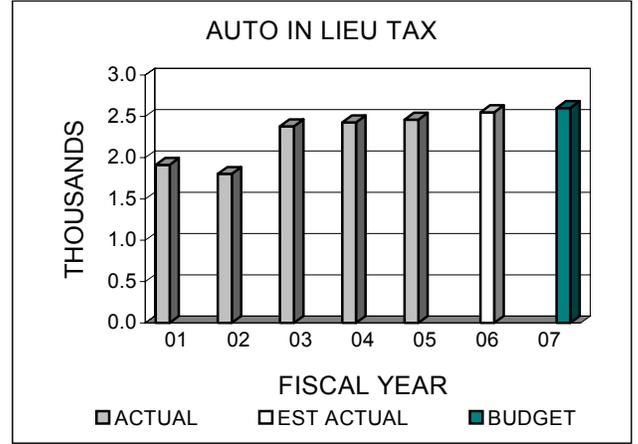
**FINES & FORFEITURES**

| FY:   | AMOUNT    | % CHANGE |
|-------|-----------|----------|
| 00-01 | 882,019   | 5.5%     |
| 01-02 | 931,950   | 5.7%     |
| 02-03 | 1,042,133 | 11.8%    |
| 03-04 | 984,492   | -5.5%    |
| 04-05 | 1,069,562 | 8.6%     |
| 05-06 | 998,519   | -6.6%    |
| 06-07 | 1,009,701 | 1.1%     |



**AUTO IN LIEU TAX**

| FY:   | AMOUNT    | % CHANGE |
|-------|-----------|----------|
| 00-01 | 1,913,662 | 6.0%     |
| 01-02 | 1,803,900 | -5.7%    |
| 02-03 | 2,378,467 | 31.9%    |
| 03-04 | 2,427,367 | 2.1%     |
| 04-05 | 2,461,425 | 1.4%     |
| 05-06 | 2,550,000 | 3.6%     |
| 06-07 | 2,601,000 | 2.0%     |



**AUTO IN LIEU TAX**

Legal Authority: Arizona Revised Statutes Section 28 - 1591 (c)

Description: Twenty-five (25) percent of the net receipts from vehicle licensing collected by the State is returned to the cities and towns of licensing origin. The distribution is based on population in proportion to total population in incorporated areas. This revenue source can be used for any municipal purpose; therefore, revenues are deposited in the General Fund to support services and activities of the general government.

Revenues have been steadily increasing due to the recent sales boosts in auto sales due to 0% financing and other offered incentives.

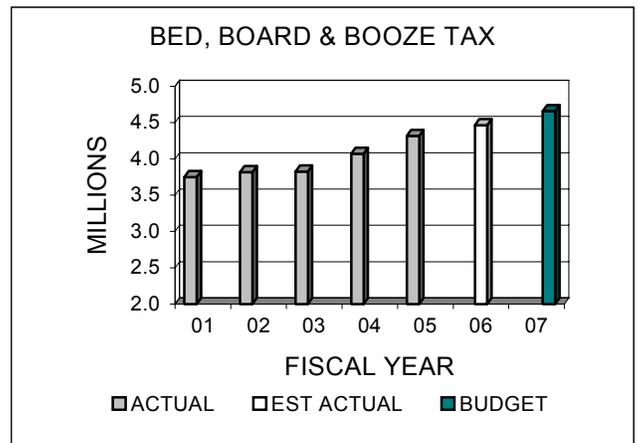
**BBB FUNDS**

**BED, BOARD & BOOZE TAX**

Legal Authority: Ordinance 1902, Approved by voters March 1996, extended by vote to March 31, 2013.

**BBB**

| FY:   | AMOUNT       | % CHANGE |
|-------|--------------|----------|
| 00-01 | \$ 3,747,822 | 2.8%     |
| 01-02 | 3,817,028    | 1.8%     |
| 02-03 | 3,826,975    | 0.3%     |
| 03-04 | 4,072,344    | 6.4%     |
| 04-05 | 4,317,063    | 6.0%     |
| 05-06 | 4,463,359    | 3.4%     |
| 06-07 | 4,657,883    | 4.4%     |



Description: An additional city sales tax of 2% is charged on the services of hotels, restaurants and bars. The City has designated all of these revenues for the purposes of enhancing beautification, tourism, economic development, recreation, and arts & sciences.

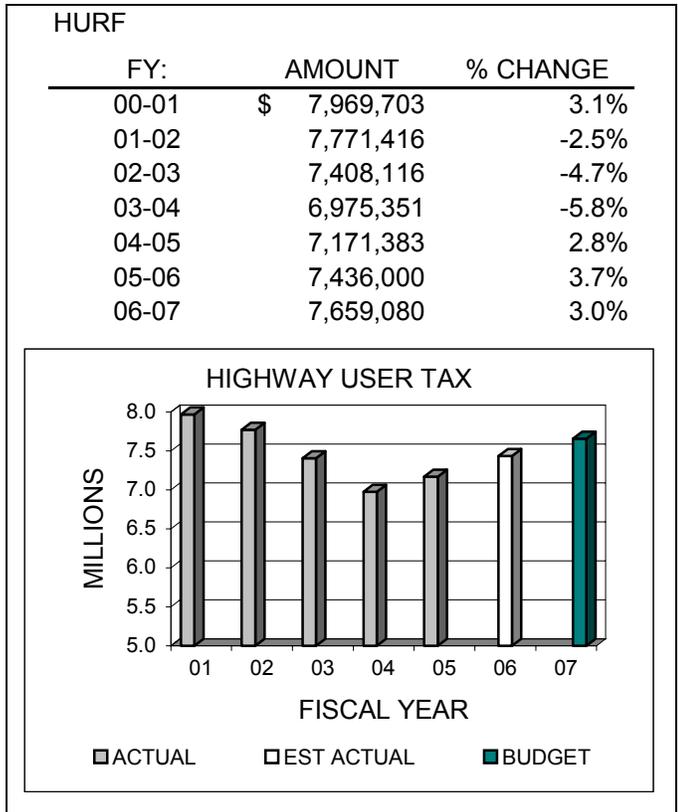
The steady growth reflects that the Flagstaff area remains a highly desirable tourism destination that is not as susceptible to economic downturns as realized by other Arizona locales. The BBB Revenue projection for FY 2007 reflects an increase of 4.4% as tourism continues to rebound.

## HIGHWAY USER REVENUE FUND

### HIGHWAY USER TAX

Legal Authority: Arizona Revised Statutes Section 28 - 1598 (B.4), (For method of distribution see ARS 28-1598 (D.3))

Description: The proceeds from the State-shared motor vehicle fuel tax (currently 16 cents per gallon, of which cities and towns share in 13 cents per gallon) are distributed by the State to cities and towns by a compromise formula. Fifty percent of the distribution is based on point of origin for the sale of gasoline. The remaining fifty percent is based on population in proportion to total population for incorporated towns and cities.



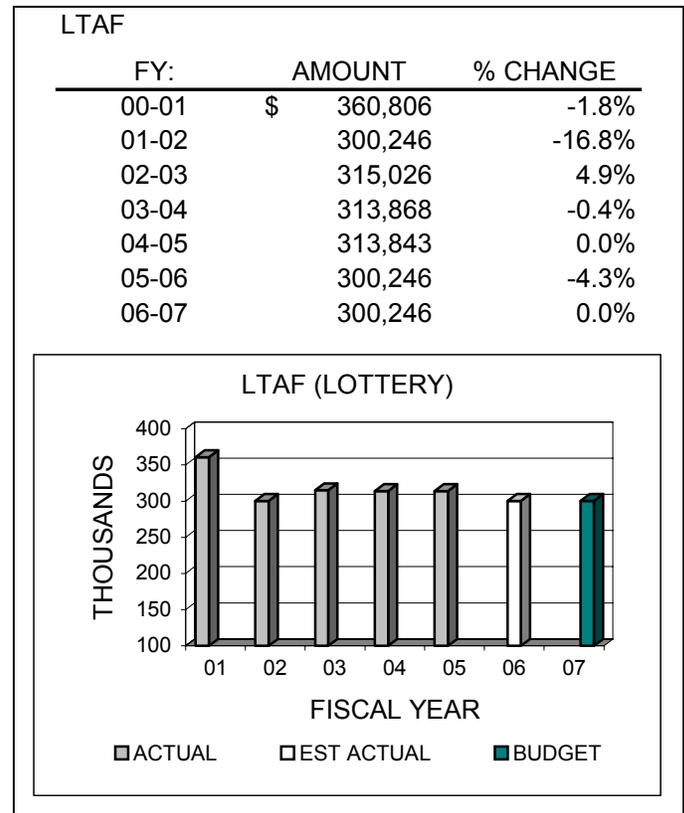
Due to a new reporting mechanism that the state is utilizing to distribute the state shared motor vehicle fuel tax, the City has experienced a decrease in the share of this revenue. The City recognized a decrease in approximately \$1 million in FY 2004. However that trend is changing with anticipated revenues of \$7,436,000 in FY 2006 and a 3% growth to \$7.7 million in FY 2007.

## LOCAL TRANSPORTATION ASSISTANCE

Legal Authority: Arizona Revised Statutes Sections 5 - 522, 40 - 1101, and 40 - 1102

Description: A portion of the lottery monies is distributed to cities and towns. Distribution is based on the population of a city as compared to the total populations of all the cities and towns. These funds must be used for transportation systems including street and highway projects and transit programs.

The City is eligible for monies from the Powerball Lottery game; however, this program has only reached the revenue thresholds that resulted in distribution to the Cities in FY 1998. The State lottery dollars are capped. Decreases reflect population changes due to census.



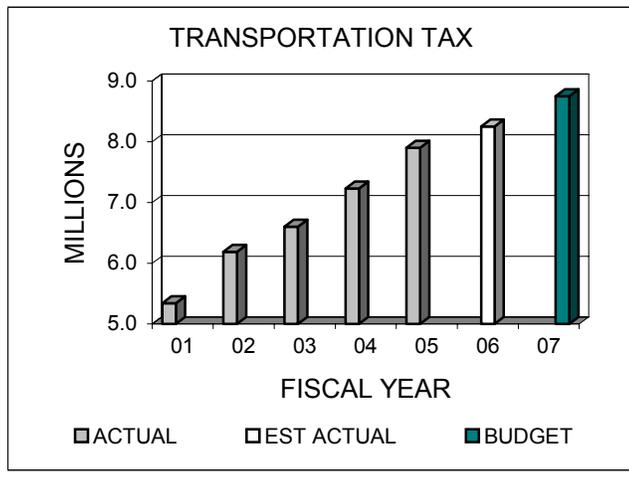
## TRANSPORTATION TAX

Legal Authority: Resolution 2004-48, approved by voters May 2000.

Description: The Transportation tax was approved by voters to address four transportation issues. This tax was approved for a period of twenty years. The tax helps pay for a 4<sup>th</sup> Street overpass, safety improvements, street improvements, and transit services. The transportation tax is assessed on the same goods and services as the City's general sales tax. The tax rate is currently at 0.601%.

### TRANSPORTATION TAX

| FY:   | AMOUNT    | % CHANGE |
|-------|-----------|----------|
| 00-01 | 5,343,240 | 100.0%   |
| 01-02 | 6,190,449 | 15.9%    |
| 02-03 | 6,602,604 | 6.7%     |
| 03-04 | 7,228,565 | 9.5%     |
| 04-05 | 7,898,607 | 9.3%     |
| 05-06 | 8,251,863 | 4.5%     |
| 06-07 | 8,746,589 | 6.0%     |



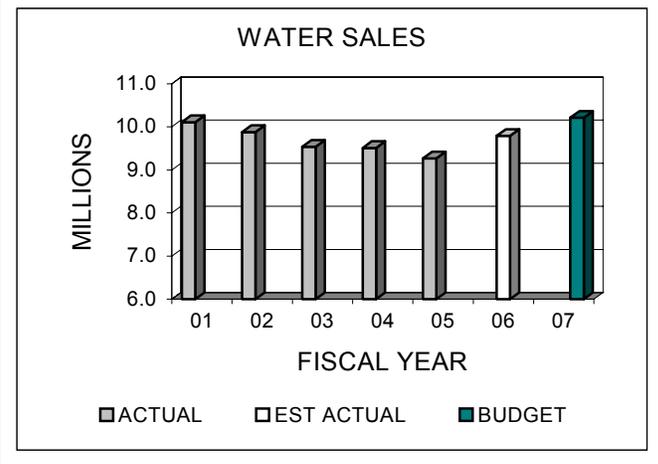
## ENTERPRISE FUNDS

### WATER SALES

Legal Authority: City Code, Title 7, Chapter 3, Section 11

#### WATER

| FY:   | AMOUNT        | % CHANGE |
|-------|---------------|----------|
| 00-01 | \$ 10,109,691 | 5.1%     |
| 01-02 | 9,880,753     | -2.3%    |
| 02-03 | 9,537,409     | -3.5%    |
| 03-04 | 9,511,860     | -0.3%    |
| 04-05 | 9,268,194     | -2.6%    |
| 05-06 | 9,792,000     | 5.7%     |
| 06-07 | 10,212,526    | 4.3%     |



Description: The principal revenue for operating and managing the City's water system is derived from rates and charges for water services. Monthly water bills consist of a base charge for the amount of water consumed with an inverted rate structure for consumption levels above the base amount so as to encourage water conservation practices. The rates for each customer class are reviewed annually to assure adequate user charges; proposed rate changes effectuate in January.

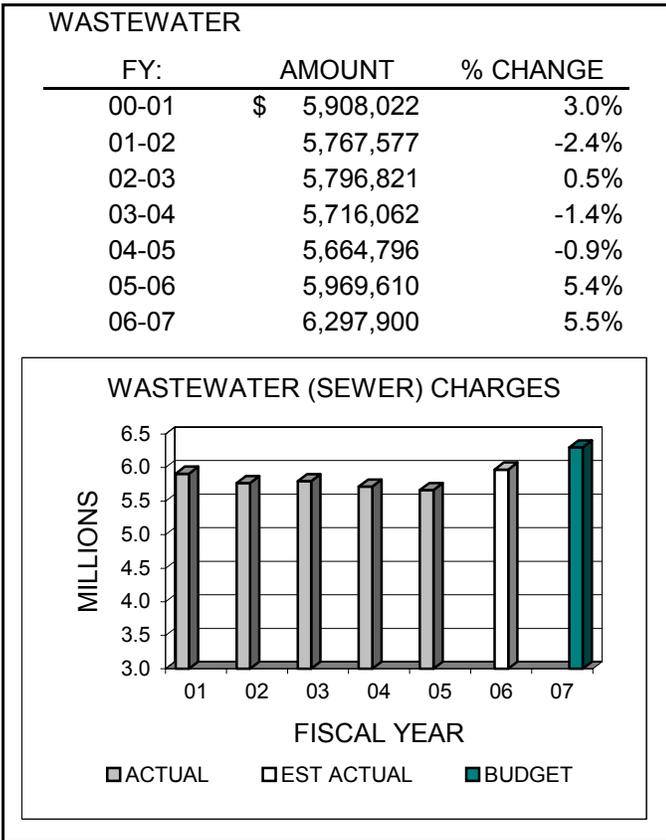
The decrease in FY 2002 through FY 2005 is because of water restrictions due to a drought year. A rate increase may be considered in FY 2007 based on the Utilities Rate Model and debt issues to cover voter approved projects.

### WASTEWATER SERVICE CHARGES

Legal Authority: City Code, Title 7, Chapter 2, Section 39

Description: The principal revenue for operating and managing the City's wastewater system is derived from revenues generated from wastewater (sewer) rates and user charges. Both residential and commercial customers are charged on the basis of water consumption. Residential customer charges are based

on average water consumption for the proceeding winter months (Dec-Mar). All other customers are billed based on actual monthly water usage unless they can measurably separate which quantity of water does not reach the wastewater system.

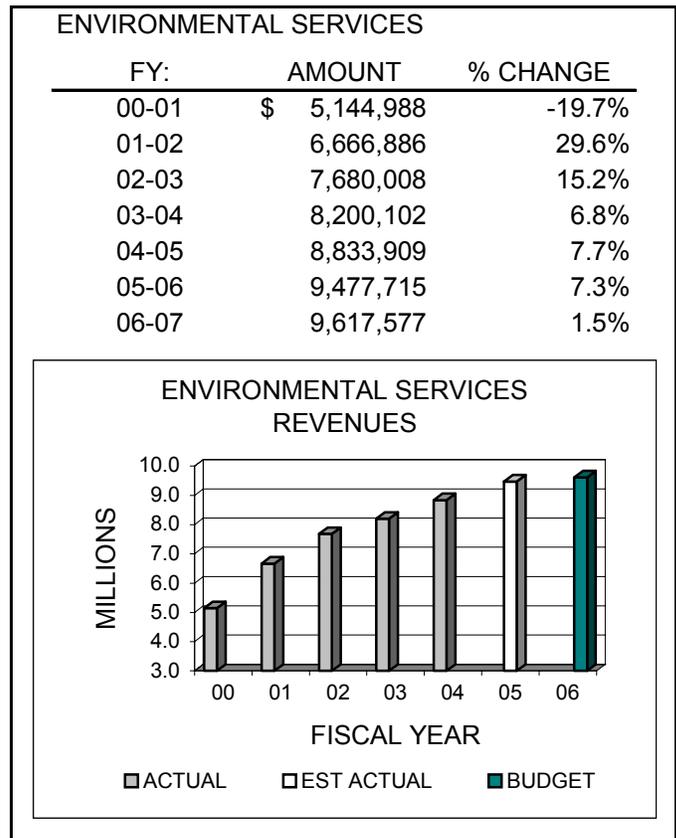


The revenue projections include a 2.0% factor due to population and consumption changes. A rate increase of 7% is projected based on the Utility Rate Model to be implemented in the future. This is a result of issuing voter approved debt for the Wildcat Plant upgrade.

**ENVIRONMENTAL SERVICES**

Legal Authority: City Code, Title 7, Chapter 4, Sections 8-9

Description: Environmental Services disposal service revenue is comprised of solid waste collection charges, hoist and haul fees, landfill dumping charges, inert materials landfill fees, environmental service fees, and residential and commercial recycling. Service charges for residential and commercial customers are based on size of container and frequency of pickup. Hoist and haul is based on a cost per pull plus tonnage. Receipts from fees charged for dumping at the City Landfill are based on tonnage. The environmental service fee is a fixed monthly charge.



The increase in revenues for FY 2007 represents expected increases related to residential and commercial collection from prior years.

**AIRPORT**

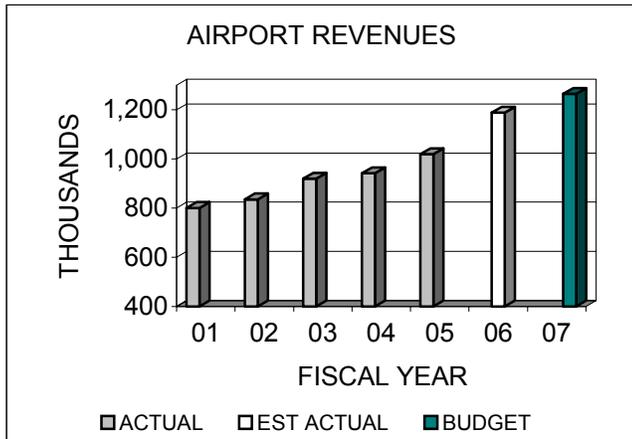
Legal Authority: City Code, Title 8, Chapter 6, Sections 1-8

Description: Airport revenue is derived from the rental of airplane hangars, tiedowns, tiedowns with electricity, and shades rented to various individuals and vendors. Landing fees are charged at a rate of \$1.05/1,000 pounds based on gross certificate landing weight of aircraft. Rental revenue from terminal rent consists of space, concession and advertising fees. Revenues are collected from the sale and storage of aviation fuel. A \$3 PFC charge is collected from the ticket sales of passengers embarking from Pulliam.

The increases from FY 2002 through FY 2007 are mainly due to a new terminal lease, growth in ground leases, auto rental revenues, and revenue from new hangars that were constructed in FY 2005.

**AIRPORT**

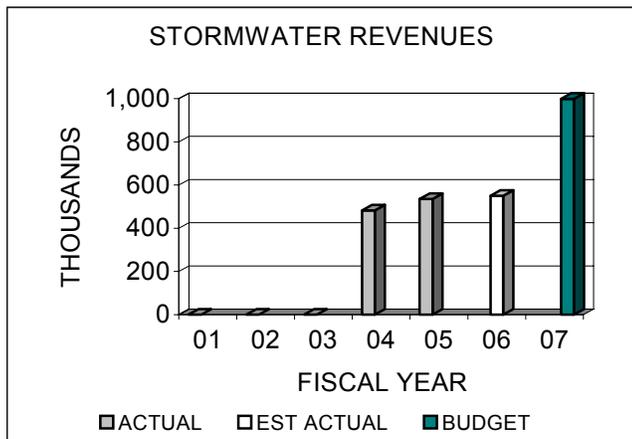
| FY:   | AMOUNT    | % CHANGE |
|-------|-----------|----------|
| 00-01 | 800,496   | -2.3%    |
| 01-02 | 834,941   | 4.3%     |
| 02-03 | 919,915   | 10.2%    |
| 03-04 | 941,623   | 2.4%     |
| 04-05 | 1,019,147 | 8.2%     |
| 05-06 | 1,188,512 | 16.6%    |
| 06-07 | 1,264,725 | 6.4%     |



**STORMWATER**

**STORMWATER**

| FY:   | AMOUNT  | % CHANGE |
|-------|---------|----------|
| 00-01 | \$ -    | 0.0%     |
| 01-02 | -       | 0.0%     |
| 02-03 | -       | 0.0%     |
| 03-04 | 483,090 | 100.0%   |
| 04-05 | 535,819 | 10.9%    |
| 05-06 | 550,178 | 2.7%     |
| 06-07 | 999,374 | 81.6%    |



Legal Authority: City Code, Title 12, Chapter 2, Section 3

Description: Stormwater revenue is determined by the number of Equivalent Runoff Units (ERU)s on a property. An ERU is defined as 1500 square feet of impervious matter. Charges are the same for both

commercial and residential customers. The first year of implementation was FY 2004 with a rate of \$.53 per ERU. The FY 2007 revenue increase of 81.6% is due to the Stormwater program proposing a new rate of \$1.30 per ERU to cover additional staff, additional costs related to the mandated NPDES permit activities, and a proposed Drainage Spot Improvement Program. The approved rate for FY 2007 is \$.92, with additional gradual increases to \$1.30 by FY 2010.

**CAPITAL BUDGET**

**RELATIONSHIP BETWEEN OPERATING AND CAPITAL BUDGET**

The Five-Year Capital Improvement Plan (multi-year, long-range study of construction and/or acquisition of high cost items with an extended useful life) is prepared separately from the Annual Budget and Financial Plan (focus on municipal service delivery programs which generally are of an on-going nature), however, the two processes are interrelated.

The operations and maintenance of major capital facilities and infrastructure can significantly impact the operating budget and, must be considered prior to approval and commencement of acquisition of a particular capital asset. In the capital improvement plan for the City, various components have greater impact on the operating budget than other elements and, may even override operating budget constraints, e.g., mandatory environmental regulatory compliance.

The Water and Wastewater Enterprise Fund's revenue structure is sufficient to meet existing and future impacts of capital, operating requirements including environmental sanctions and debt. Proposed, as well as existing, debt service is included because the changes in debt service requirements must be built into the rate models in determining what, if any, rate increases are required each year. The rate model is in the process of being updated and this update will be completed in FY 2006. Increases in user fees are anticipated in FY 2007 based on information and system demands known today.

The Highway User Revenue Fund designates a portion of State distributions to the pavement maintenance program. The program is important in order to keep roadways in good condition and not allow significant deterioration. An additional component of the maintenance program is funding for ADA compliance for curb cuts, curb returns, and deteriorating sidewalks. The major impact on street maintenance is the addition of roads from private development. The Streets division has maintained level staffing through the investment in new, more efficient equipment.

BBB projects will have a significant impact on operating budget requirements. Streetscape and FUTS trail maintenance will require an ongoing level of effort to

maintain landscaping. Greater consideration is being given to design and maintenance requirements for future streetscape projects to keep maintenance costs as low as possible. The completion of several parks projects constructed in conjunction with the Parks and Recreation bond program require a major increase in the Parks maintenance budget. City Council has determined that any increased maintenance costs associated with the bond projects will be paid for from BBB funds. Staff has balanced construction maintenance responsibilities and funding sources in the Parks and Recreation Bond program.

## CAPITAL IMPROVEMENT PLAN

### **What is a Capital Improvement Plan?**

A Capital Improvement Plan is a multi year, long-range study of the construction and/or the acquisition of high cost assets that have an extended useful life usually greater than five years. A long-range plan is needed because of the lead times required to adequately finance, design and/or plan, budget, and implement construction or acquisition of the capital project needs of a community.

Planning in one or two-year increments has proven to be inadequate because of the complexity of projects and the public input process, as well as the design time needed for engineering plans, specifications, and right-of-way acquisition.

After Council has identified priorities and input has been received from all City departments, the development of the actual Capital Improvement Plan is completed. This requires coordination between the budget function and engineering because of the impact of constructed capital projects on the operating budget. For example, bond funds might be used to construct a branch library. However, once construction is completed, the library must be staffed, utility bills must be paid, and the facility must be cleaned and maintained. Therefore, an effective capital improvement plan should always be viewed in context of its impact on the operating budget. The five-year plans shown on pages 73-97 incorporate future operational impacts.

### **What does a CIP provide?**

- **Cash management capabilities.** The dollars expended on Capital Improvement Plans in jurisdictions experiencing substantial growth or revitalization will often comprise 40% or more of the total budget. By reviewing the sources and uses of funds on a project basis and within the context of the entire CIP, as well as the related cash flows, a jurisdiction can maximize its investment earnings.
- **Debt management.** A CIP allows a jurisdiction to plan the financing requirements and the debt repayment schedule to allow for current and future needs relative to debt service capacity.
- **Expenditure controls.** Funds are expended as they were intended to be spent. The appropriations figure becomes the project management budgets. It

is typical for most jurisdictions in their process to budget a 15% to 20% overhead factor to cover engineering and design costs as well as to provide for contingencies.

- **Budgetary controls.** Operating cash flow projections on a project basis serves as a check and balance on a project's progress both in terms of the time schedule and expenditures to date compared with percentage completion.
- **Minimize disruption to citizens.** By looking at the overall impact of the proposed CIP in any given year, the disruption of services or inconvenience imposed by construction activity in a locale can be kept to a minimum. For example, citizen complaints can be minimized by not scheduling the chip sealing of a major arterial street concurrently with ongoing construction on immediately adjacent streets. Additionally, a comprehensive review of multiple projects to ensure adequate coordination can minimize multiple disruptions in a given area.

### **FY 2007 CAPITAL IMPROVEMENT PLAN**

The City budget for FY 2007 includes capital improvement projects totaling \$108.5 million. This amount includes \$61 million in carryover items that have been budgeted. Project funding is comprised of the following: \$12.7 million in grants primarily for airport improvements, affordable housing, street construction and, beautification projects; and fire stations, aquatic/multi-generational center, and FUTS land acquisition. \$44.7 million in general obligation (G.O.) bonds for the construction of Fire Stations, Aquatic/Multi-Gen Center, Wastewater Treatment Plant upgrade and other projects that were approved by the voters in the 2004 General Election. \$51 million in operating funds that include street maintenance and improvements, flood control, land acquisition, FUTS and Streetscapes. In May 2004 General Election; the citizens of Flagstaff authorized the City to proceed with ten new projects totaling \$155.2 million. These projects will be phased in over a ten-year period with debt being issued in conjunction with the timing of each project. Each proposed project will be discussed below in its appropriate fund. Project listings are located in the Capital Improvement section of this book.

A separate Capital Budget and Capital Improvement Plan (Five-Year) will be prepared from the Annual Budget biannually. Detail project descriptions including location, justification, planning document references, operating impact, and funding and expenditure data are provided for all funded projects.

**General Government** – Seven projects are scheduled for FY 2007 for a total of \$26.9 million. Projects included in this category are several of the projects authorized by voters in the May 2004 election. These include, Fire Fighting Facilities and acquisition of emergency response vehicles and equipment; an aquatic/multi-generational recreation center; and open space acquisition. Also included in this category is

redevelopment land acquisition, a business incubator and the adult center renovation.

**Streets/Transportation** – The City currently has 219 miles of paved streets, as well as an additional 10 miles of alleys and 14 miles of unpaved streets. Three major programs are funded in the CIP for the City's streets and related infrastructure. These include an annual maintenance program of chip seal and overlay to extend the useful life of the existing street system; a streets/arterial improvement program to bring streets into current standards or widen to meet existing and anticipated traffic flow patterns; and capital projects including the East Flagstaff Gateway project. There are a total of 29 Streets Transportation projects scheduled at a budgeted cost of \$16.9 million. HURF revenues fund \$4.3 million of these projects with Transportation Tax funding \$6.4 million, \$137,510 in Grant Revenues, and \$6.1 million in other funding.

**BBB Funds** – Projects include Beautification, Tourism and Recreation funding. These projects include Thorpe Park Improvements, Multi-Use Path along Highway 180 and continuing our connectivity of FUTS Trails. This year Federal and State grants will provide funding of \$4.8 million. 21 projects are scheduled at a budgeted cost of \$14.4 million for FY 2007.

**Utilities Fund** – Major projects for Water production and distribution include \$7 million for future water rights acquisition and \$3 million for water wells. Major projects for Wastewater plants and collection include \$12 million for WC upgrade/reclaim extensions. 21 water projects and 17 wastewater projects are scheduled at a combined budget of \$31.9 million for FY 2007.

**Airport Fund** – Seven projects are scheduled at a budgeted cost of \$9.6 million for FY 2007. The major project this year is the design for the Runway Extension and land acquisition.

**Environmental Services Fund** - This year's CIP includes 5 projects for a total cost of \$848,089. The largest project is the construction of a maintenance building at a cost of \$485,473.

**Stormwater Fund** – The Stormwater fund completed its third year of operations as a new utility fund for the City of Flagstaff. 5 projects are budgeted in this fund with a cost of \$7.8 million in FY 2007. These projects include; drainage spot improvement and the Rio De Flag Drainage Project.

## CAPITAL PLAN IMPLICATIONS

For a community to continue to grow and prosper, capital improvement needs must be balanced with the burden placed on its citizens to fund them. Therefore, the capital improvement program is evaluated in terms of its impact on a variety of factors such as property taxes, utility rates, and entering into other long-term commitments, i.e., affordability factors.

**Property Tax:** Servicing general obligation debt over the previous five years is shown in the community profile section. The table shows that debt as a percentage of assessed valuation has not fluctuated significantly and per capita debt has actually declined. In May 2004, voters authorized sale of bonds to implement 10 new projects totaling \$155.2M. These projects will be phased in over the next 10 years.

**Utility Rate Structure:** The Utility Rate Analysis is in the process of being updated. This rate model provides for major capital improvements, additional bond funding, and increased operating costs. A rate increase in sewer in FY 2007 is anticipated to be recommended to meet these demands. In May 2004 the voters authorized the sale of bonds to support 3 new Utility projects. These projects are reclaimed water system and related wastewater improvements; water wells; and water rights acquisition.

**BBB Sales Taxes:** The voters approved a 2% BBB tax in 1988 with a ten-year sunset provision and renewed the tax an additional fifteen years in March 1996. Capital projects currently underway include streetscape along corridors, and the FUTS (Flagstaff Urban Trail System) connectivity and various recreation projects.

**Transportation Taxes:** On May 16, 2000, the voters also approved a 0.51% transportation tax for twenty years that supports four major transportation issues. The four major areas undertaken are the 4th Street Overpass; Safety to School/Pedestrian/Bike; traffic Flow and Safety Improvements; and Transit Service Enhancements. Through scheduled increases approved at the time of the election, the transportation tax is at 0.601% as of July 1, 2003.

## DEBT

### DEBT CAPACITY

Flagstaff has experienced significant increases in assessed valuations in 2007. Additional staff in the assessor's office has assisted in getting properties updated and filed on the tax roles. Previously the county was roughly two years behind in getting their information updated. The City's legal debt margin shown below, demonstrates adequate capacity to complete the capital projects proposed with the May 2004 bond election. Projects will be initiated over time through issuing new debt within capacity as old debt retires.

### CURRENT DEBT POSITION

The City's underlying bond rating for general obligation bonds is presently "A+" by Standard & Poor's Corporation and "Aa3" by Moody's Investor Services representing an upgrade from A1. In assigning a rating to bond issuance, the rating agencies analyze several factors to determine an entity's ability to repay its debt. Some of these factors are described in the following text.

**General Obligation Debt**

July 1, 2006

## 20% Limitation

(Water, Sewer, Lighting, Open Spaces,  
and Recreation Purpose Bonds)

|                       |                |
|-----------------------|----------------|
| Assessed Valuation    | \$ 624,199,899 |
| Allowable 20% Debt    | \$ 124,839,980 |
| 20% Debt Outstanding  | (35,226,764)   |
| Allowable Debt Margin | \$ 89,613,216  |

## 6% Limitation

(All Other General Obligation Bonds)

|                       |                |
|-----------------------|----------------|
| Assessed Valuation    | \$ 624,199,899 |
| Allowable 6% Debt     | \$ 37,451,994  |
| 6% Debt Outstanding   | (14,202,300)   |
| Allowable Debt Margin | \$ 23,249,694  |

**Economic factors** reviewed include measures of growth such as: population and housing demographics; employment base; unemployment rate; competitiveness of services provided by the governmental entity with surrounding jurisdictions; and vulnerability to revenue streams dependent on economy, e.g., sales taxes and delinquency rates on property tax collections. The City is well positioned because of its location and the diversity of its economic base.

**Financial performance factors** focus on the entity's ability to maintain a balanced budget regardless of economic circumstances. Recurring revenue streams without reliance on one-time revenue sources, e.g., asset seizure funds or fund balance should support ongoing expenditures. Maintaining a fund balance of 10% of budgeted appropriations is indicative of sound financial management practices.

**Debt factors** analyzed include indebtedness trends, debt history, current debt burden, and debt repayment schedules. The economic feasibility and need for projects financed with debt are also evaluated, as there is a correlation between perceived benefit received and ability or willingness to repay debt. The history of past voter approved bond authorizations is evaluated as an indicator of taxpayer willingness to repay debt, as well as the amount of overlapping debt imposed on the taxpayer. Development of a long range capital improvement plan is a primary method of planning for future debt needs and is a meaningful way of demonstrating budgetary and fiscal controls.

**Administrative factors** reviewed include the professionalism of the administration relative to budgetary policies and practices, financial reporting and results of independent audit, and effective management practices. Debt limitations, tax rate and levy limitations and unused debt margins are also assessed. Focus on management capabilities includes personnel turnover,

labor relations, and legal and political constraints evident in the organizational structure. Finally, assessment procedures are reviewed and property valuations are trended and analyzed.

**Quality of Life factors** include the physical, environmental, and social/cultural amenities of a community, which enhance the desirability as a place to live and thereby add to the valuation of the tax base.

**DEBT SERVICE**

At July 1, 2006, the total actual indebtedness is \$99 million. FY 2007 annual debt payments are projected to be \$14.2 million. Under current state statutes, the City's General Obligation bonded debt issuances are subject to a legal limitation based on 6% of assessed valuation of real property for general purposes, e.g., buildings, land acquisition, street and highway construction and a limitation of 20% on assessed valuation of real property for public works projects, e.g., water, sewer, sanitation, parks, and open space. At the start of the fiscal year, July 1, 2006, the City's 20% general obligation debt of \$35,226,764 is well below the legal limit of \$124,839,980. The City's 6% general obligation debt of \$14,202,300 is also well below the legal limit of \$37,451,994. The following table illustrates the total actual indebtedness through the life for all currently outstanding debt.

Schedule of Debt Service - Existing Debt Only

| FY   | Principal            | Interest             | Total                |
|------|----------------------|----------------------|----------------------|
| 2007 | \$ 9,155,109         | 4,339,556            | 13,494,665           |
| 2008 | 8,601,908            | 3,978,121            | 12,580,029           |
| 2009 | 8,854,576            | 3,585,754            | 12,440,330           |
| 2010 | 8,113,838            | 3,208,625            | 11,322,463           |
| 2011 | 8,384,754            | 2,878,441            | 11,263,195           |
| 2012 | 8,976,725            | 2,557,162            | 11,533,887           |
| 2013 | 6,727,699            | 2,138,446            | 8,866,145            |
| 2014 | 5,071,257            | 1,843,584            | 6,914,841            |
| 2015 | 4,540,630            | 1,615,878            | 6,156,508            |
| 2016 | 4,509,362            | 1,414,525            | 5,923,887            |
| 2017 | 4,292,462            | 1,190,750            | 5,483,212            |
| 2018 | 4,477,665            | 988,785              | 5,466,450            |
| 2019 | 4,690,737            | 774,763              | 5,465,500            |
| 2020 | 4,909,813            | 550,435              | 5,460,248            |
| 2021 | 2,879,940            | 323,597              | 3,203,537            |
| 2022 | 3,001,167            | 204,558              | 3,205,725            |
| 2023 | 1,939,743            | 83,380               | 2,023,123            |
| 2024 | 216,337              | 15,399               | 231,736              |
| 2025 | 112,720              | 3,148                | 115,868              |
|      | <u>\$ 99,456,442</u> | <u>\$ 31,694,907</u> | <u>\$131,151,349</u> |

## **POLICIES AND PROCEDURES**

### **FISCAL POLICIES**

The City balances current revenues against current expenditures (balanced budget approach) in all funds on an annual basis. Additionally, all City funds must balance these funds on an on-going basis for a minimum of five years. Both operational and capital efforts must be sustainable to assure continuity of service to citizens.

A five-year Capital Improvement Plan is updated annually and includes anticipated funding sources. The City's accounting records for General Government operations (General, Special Revenue, Debt Service and Capital Projects Funds) are maintained on a basis consistent with Generally Accepted Accounting Principles (GAAP) with measurable revenues recorded when they become available to finance expenditures in the current fiscal year. "Available" is defined as collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than principal and interest on debt, are recognized in the accounting period in which the liability arises. State statute allows for encumbrances to be recognized for a 60-day period following the end of the prior fiscal year as uses of prior year appropriations. To ensure that appropriations do not lapse, departments are directed to re-budget for all items that are expected to be delivered after June 30.

For the Enterprise Funds, the annual budget is prepared on a basis that differs from GAAP because state law requires capital purchases and debt service payments to be budgeted as expenses, and bond proceeds and grants that are to be utilized are to be budgeted as revenues.

As a matter of general policy, the City of Flagstaff attempts to realize the following goals and objectives:

### **GENERAL**

The City maintains a moderate property tax rate. The secondary property tax rate relates directly to voter-approved debt. General Obligation (G.O.) debt, supported by property tax revenues, may change based on one or both of the following factors: 1) assessed valuation; or 2) property tax rate changes commensurate with community consensus. Additionally, debt service requirements are repaid through a specified revenue stream whenever possible, e.g., water and sewer G.O. bond debt service requirements are built into utility rate structure.

The City's sales tax is used to meet the general operating needs of the City. An additional two cents (\$.02) BBB tax has been levied on lodging, restaurant, and bar services. This latter tax has been designated for enhancing the quality of life through Beautification

projects, Economic Development, Tourism efforts, Arts & Science contributions, and Recreation projects.

The City has dedicated (\$.00601) sales tax for transportation purposes, which will expire in 2020.

The City's goal is to maintain a minimum general fund balance of 15%. The budgeted fund balance for FY 2007 is 22.9%.

Current revenues will be sufficient to support current operations. Grant funds are considered to leverage City funds. Inconsistent and/or fluctuating grants are not used to fund ongoing programs.

### **ENTERPRISE FUNDS**

The City has a policy of utilizing a systematic methodology to determine the rate increase in water and wastewater charges and fees based on the philosophy of "cost of service." All Utilities Fund and Environmental Services Fund operations are managed on the basis that they must be self-sustaining operations. The rate models include all capital costs and routine maintenance items. Analyses of the water and sewer rate model, sanitation requirements, and the stormwater rate model were prepared this year. The water and sewer model currently indicates a rate increase due to the initiation of voter approved bond projects. The five-year Environmental Services analysis indicated the rate increases are needed in the commercial sector in FY 2007 and increases in the residential sector in FY 2008. Uncertainty with regards to the transfer of the tonnage to other landfills continues to place a significant impact on all costs in the Environmental Service Fund. Rates will continue to be examined annually for possible increase over the next five years. As a matter of policy, the City will raise the landfill fee to an amount higher than the tipping fee at the Material Recovery Facility (MRF) to encourage recycling.

The stormwater program has scheduled a series of increases over the next five fiscal years to fund increased operational and needed capital improvements.

An Environmental Services reserve will be determined and evaluated annually to provide funding for costs of landfill closure.

The City's goal is to maintain enterprise fund balances in excess of 5% due to the fluctuations of usage not in the control of the departments.

### **REAL ESTATE PROCEEDS FUND**

The disposition of funds from real estate proceeds is governed by ordinance. Proceeds from the sale of real property assets will only be used for costs of acquisition or sale of real property. In FY 2007 proceeds are scheduled to be used for Thorpe Park renovations, Adult Center renovations, and redevelopment.

## DEBT PERFORMANCE

To ensure that the City's debt position and bond ratings remain favorable, the City's borrowing program strives to meet the following general debt performance goals:

- The City will limit long-term debt to only those capital improvements that cannot be financed from current revenues.
- The terms of repayment for any debt will not exceed the estimated useful life of the project or asset acquired nor will debt be used for recurring expenditures normally considered operational and maintenance expenditures.
- Minimize the impact of debt obligation on the general taxpayer, by:
  - ◆ Using Special Improvement Districts (SID), revenue bonds (street projects), or user charges (water and sewer bonds) whenever possible.
  - ◆ Determining if BBB funds (Beautification, Economic Development, Tourism, Recreation, and Arts & Science) should underwrite all or part of a proposed project.
  - ◆ Creating sinking funds when possible to provide for expansion or replacement of capital items.
  - ◆ Seeking out grant support to the maximum extent possible as well as other lower interest debt options such as state revolving loan funds or redevelopment district designation.
  - ◆ Collaborating with the City's financial advisors to structure debt in such a way the debt load is explicitly related to the operating budget and the ability to handle debt will not impair operating needs. General obligation debt load will not exceed 15% to 20% of the operating budget and debt expenditures to allow sufficient resources to meet ongoing needs without placing an undue burden on the taxpayer.
  - ◆ Preparing an Official Statement on all bond offerings and notes, including Certificates of Participation.
  - ◆ Maintaining good relations with its financial advisor, bond rating agencies and insurance carriers, and providing full and open disclosure on all financial reports and prospectuses.

## DEBT MANAGEMENT

The City will not pledge General Fund taxing authority to secure long-term debt except when marketability can be significantly enhanced.

At least 25% of capital outlay (including capital equipment acquisition) will be funded on a pay-as-you-go basis. The City will fund on a pay-as-you-go basis as much as possible rather than using debt financing.

A feasibility analysis will be undertaken in-house for proposed long-term financing to determine current and future budgetary impact and reliability of revenue stream to support both debt service requirements and

operations. Council will review the financing program annually.

Financing will not exceed the useful life of the infrastructure improvement.

Debt financing will be on a competitive basis. Private placements (negotiated financing) may be used when the market is highly volatile or the debt structure is highly unusual and complex as to financing structure or security structure.

Debt schedules will be prepared and included in the Annual Budget and Financial Plan (budget document) as well as the Five-Year Capital Improvement Plan with an annual update.

The City will diligently monitor compliance with all bond covenants as well as strict adherence to federal arbitrage regulations.

## FUND BALANCES AND RESERVES

The City will strive to maintain fund balances of at least fifteen percent (15%) in the General Fund and ten percent (10%) in the Utilities Fund. Five percent (5%) is considered the minimum level necessary to maintain the City's credit worthiness (bond rating). However, a more stringent level is recommended so as to provide for:

- Economic uncertainties
- Assurance against vagaries and uncertainties in the bond market
- Cash flow requirements (60 days operating revenues)
- Adequate contingencies

A Landfill Sinking Fund has been established to provide for future closure and environmental regulation requirements and equipment needs. For closure costs, amounts are legally designated for future construction needs in order to insure financial compliance. Current estimates are more than \$14 million. The landfill rates include an allocation to the sinking fund.

## EXPENDITURE LIMITATION CONTROL

The State of Arizona provides for several options regarding expenditure control limitations. State statute determines the allowable expenditure limits for each municipality. There can be a one-time adjustment, a permanent adjustment, or charter cities have a homerule option. The City operates under the state expenditure limitation rather than the home rule option allowed to Arizona municipalities, which requires voter approval every four years. The City has a one-time permanent adjustment to the base as a result of the BBB tax approved by voters in FY 1988, which allows the City to increase the expenditure level base by the amount of the additional revenues generated by the tax.

The City received voter approval for a second permanent base adjustment in the May 2006 general election. The adjustment was necessary to align previous citizen approved expenditures with the maximum allowable amount per the Economic Estimates Commission.

Expenditure Limitation is presented as the basis of accounting presented by the uniform expenditure reporting system, which excludes expenditures of certain revenues specified in the Arizona Constitution.

## BUDGET POLICIES

**Budget Basis of Accounting** – The accounting and budgeting systems for the City are in accordance with Generally Accepted Accounting Principles (GAAP) format, with minimal variances between the two systems. Budget basis for enterprise funds differ primarily due to state laws. The major differences are as follows:

- Encumbrances (contractual commitments) are considered the equivalent of expenditures. Encumbrances at year-end for goods or services, which are not received prior to the end of the fiscal year, are cancelled.
- Fund balances reserved to inventory and bonded debts are not included in the budget.
- Certain expenditures, such as depreciation and landfill closure and post closure accrual, are not included in the budget.
- All funds except the Internal Service Fund are budgeted.
- Enterprise funds budget capital expenditures and debt service payments as expenses.
- Enterprise funds budget bond proceeds and grants as revenues.

The City will utilize a number of different fund types to segregate the financial activity within the City either due to regulatory reasons or as designated internally. The fund classifications are Governmental funds, Proprietary funds and Fiduciary funds.

Governmental funds are typically those that account for the tax supported activity within the City. Within governmental funds, the sub-classifications utilized by the City are:

- General Fund - The chief operating fund that accounts for all activity not accounted for somewhere else. The General Fund currently encompasses the activities of General Administration, Management Services, Community Development, Public Safety, and Non-Departmental expenditures.
- Special Revenue Funds – Accounts for certain revenue sources that are set-aside for a specific purpose. Special Revenue Funds currently in existence are the Library, Highway User Revenue, Transportation, Beautification, Economic

Development, Tourism, Art's and Sciences, BBB Recreation, Real Estate Proceeds, Housing and Community Services, and Metropolitan Planning Organization.

- Debt Service Funds – Established to set aside the resources needed to meet current and future debt service requirements on general long-term debt. The City has established the General Obligation Bond Fund, the Secondary Property Tax Fund, and the Special Assessment Fund in this category.
- Capital Projects Fund – Established to separately reflect major capital acquisitions and/or construction from other ongoing operating activity. The City of Flagstaff has established a Capital Project Fund.

Proprietary funds are used to account for those activities that are expected to be self-supporting through user fees in whole or in part. Proprietary funds encompass Enterprise funds.

- Enterprise Funds – May be utilized for any activity in which a fee is charged. An Enterprise Fund is required to be utilized if the debt is backed solely by fees or charges, if there is a legal requirement to recover cost through fees and charges, or there is a policy decision to recover cost. The City has four Enterprise Funds in the form of Utilities (Waste and Wastewater), Airport, Environmental Services, and Stormwater.

Fiduciary funds are used when the City holds resources while acting as an agent for a party outside the government. The sole fiduciary fund the City holds is the Firemen's Pension Trust Fund

Budgetary control accounts are maintained in the general ledger system at a line item level to track estimated revenues, appropriations, and encumbrances.

The Comprehensive Annual Financial Report (CAFR) Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual reflects how well the City met its budget plan. In addition, while individually budgeted, the City combines the BBB funds for CAFR presentation. These include Beautification, Economic Development, Tourism, Arts & Science, and Recreation. Conversely, the City presents the Internal Service fund in the CAFR as unbudgeted.

## REVENUE DISTRIBUTION

Highway Users Revenue Funds (HURF) will be used to fund a portion of the Annual Streets Maintenance Program (overlay, chip seal, reconstruction) at a level of effort that will strive to maintain the streets system based on availability of funding. A portion of HURF funds will also be appropriated each year for street and sidewalk improvements, streetlights, and Americans Disability Act (ADA) compliance.

Local Transportation Assistance Funds (LTAF) will be used to fund a portion of the annual streets maintenance program.

Debt service requirements for G. O. Water and Sewer bonds will be built into the respective rate models so that sufficient revenues are generated from user charges to cover annual debt service.

BBB Funds are restricted to Beautification, Economic Development, Tourism, Arts & Science, and Recreation projects. The Beautification Fund will finance major beautification projects including an urban trail system, bikeways, pocket parks, streetscape, rehabilitation, area redevelopment enhancements, and related maintenance expenditures. As determined at the April 1996 Council retreat, funds for recreation will serve to improve, maintain, and enhance park facilities.

Annual funding for Economic Development opportunities, \$125,000 and Open Space \$150,000 shall be allocated on a priority basis from excess revenues over expenditures.

Transportation funds benefit four major categories: Fourth Street overpass, Street Improvements, Safety Improvements, and Transit. The Street and Safety projects include Safe-To-School Projects, urban links, streets widening, and gateway development.

## **CONTRIBUTIONS TO ART IN PUBLIC PLACES**

Art in Public Places has been funded through a general fund contribution. In addition, an art component may be incorporated in capital improvement designs. The Arts & Science Commission also appropriates an annual amount towards this effort.

## **OPERATING BUDGET IMPACT**

The impact of capital improvements on the respective fund operating budgets is required for all capital projects. Costs are developed for first-year start-up costs as well as an annual operating cost estimate. For Enterprise

Fund capital projects, debt service requirements are included in the rate projections.

Balanced revenue and expenditure forecasts will be prepared to examine the City's ability to absorb operating costs due to possible changes in the economy, service demands and capital improvements. The forecast will encompass five years and will be updated annually.

An analysis of impact on cost-of-service will also be undertaken by the City staff to determine if any changes to fees and charges should be recommended to Council.

## **MINIMUM LEVELS OF CAPITAL INVESTMENT**

The Street Improvement Program will commit \$1.5 million for annual capital maintenance of the street system which includes, approximately \$125,000 for ADA compliance in the street system.

The Water and Sewer system will undertake sufficient capital improvements considered routine operations and maintenance to prevent system degradation. Additionally, the inner basin waterline will be charged out over a 20-year period.

Sinking funds have been established for future landfill closure costs. Currently, it is estimated that \$14 million will be needed over 30 years starting in the year of closure to finance the closure and environmental regulatory compliance costs for the landfill. Landfill requirements are built into the Environmental Services rate structure.

## **NON-RECURRING REVENUES**

The City will balance operating revenues against operating expenditures. Any non-recurring revenues are budgeted for other one-time and/or non-recurring expenditures. Should any non-recurring revenue source have ongoing operating implications, those considerations will be evaluated before the acceptance of such funding.

# ISSUES AND UPDATES

## PERSONAL SERVICE COSTS

### PAY PLAN

The FY 2007 budget includes a 9% pay plan adjustment. The cost of the pay plan adjustment combined with standard merit increases is approximately \$1.7 million to all funds. This adjustment is based on a complete comparative compensation analysis that included conducting an analysis of actual salaries, pay structures and midpoints. This analysis showed that the City's actual salaries were above market or at market. However, the analysis showed that the City's pay plan structure was below market by 6%, which was negatively impacting recruitment and employees at the top of their range. Given the difficulty in recruiting and filling positions it was determined that the pay structure would be adjusted by 9%. Employee forums were held to communicate the changes to the pay plan and there were several presentations to the Employee Advisory Committee (EAC). The EAC supported the 9% pay plan adjustment.

The cost to move classified employees into the new pay plan is approximately \$574,000 to all funds. On average, a classified employee will receive a 2% increase to move into the new pay plan. In addition, the average merit that classified staff will be eligible for is 3.2% costing approximately \$529,000 to all funds.

The pay plan for Administrative/Technical/ Professional (ATP) employees is still open range, which means ATP employees do not receive an automatic market adjustment; and any pay increase is based on performance. All ATP employees will be eligible to receive on average an 5.2% merit increase which is equivalent to the average increase for classified employees to move into the new pay plan and merit increase for classified employees. The total salary cost for merit increases for ATP employees is estimated to be \$597,000 to all funds.

Employees who are in the skill based pay plan are eligible for pay adjustments based on acquiring skills and knowledge that are associated with skill blocks.

The Wildcat and Rio Plants, and Collections and Distribution in the Utilities Department are under skill base pay. This fiscal year Lake Mary implemented skill base pay in their area. Skill base pay is a means to increase productivity and efficiency through use of technology and a multiple-skilled workforce and compensate employees for the increased value they bring to the job due to their knowledge and skills that are currently outside their specialty.

The Case Manager positions in Development Services will be broad banded July 1, 2006, in order to increase

productivity and efficiency as well as compensating employees for the added value they bring to the division.

### HEALTH INSURANCE

Fiscal year 2007 begins the fourteenth year the City has participated in the joint purchasing of health insurance through Northern Arizona Public Employees Benefit Trust (NAPEBT). NAPEBT members are Coconino County, Flagstaff Unified School District, Coconino Community College, and the City of Flagstaff.

This year the Board of Trustees for NAPEBT made the following changes in order to manage the continued increase in health insurance costs while still providing a competitive health package:

1. Moved from being fully insured to an administrative services contract, which is very similar to a self-insured plan. This change will allow the Board to manage costs more effectively and enhance benefit offerings through more control of plan administration.
2. Require that all members in NAPEBT fund a "wellness program" in an effort to control costs.
3. Recommend that effective January 1, 2007, a three-option health insurance plan is offered to employees. This will allow employees a choice in the type of coverage and premium that best meets their needs.

The increase in health insurance this year came in at 13.25%; however, with these changes the increase will be 10% for the first six months of the year and 7% for the remainder of the fiscal year.

FY 2007's budget reflects the continuation of the City of Flagstaff paying the full premium for the employee and increasing the subsidy for dependent health insurance to 50% of the total or \$314.00 per month. For FY 2007 the total budget for employee only health insurance is \$3.7 million, which is an increase of 13% to all funds. The total cost of the dependent subsidy to the City is approximately \$1,050,000 that is approximately the same as FY 2006.

Dental insurance premiums, both employee only and dependent resulted in a rate increase of approximately 10.43%. The City pays 100% of employee coverage and employees pay 100% for dependent coverage. No plan design changes were made for FY 2007.

### RECLASSES, RERANGES, RETITLES, REZONES

Maintenance of the job classification system is an ongoing process to ensure that job classifications accurately reflect the responsibilities and tasks being performed by City employees. If a department head believes that an employee(s) is functioning out of class on a regular basis or that job responsibilities have changed sufficiently, a request may be made for the Human Resources Division to conduct a review. The

Human Resources Division then conducts an audit and evaluates the request utilizing Decision Band Method (DBM) methodology.

If the audit and analysis indicates that an adjustment needs to be made to a position classification, Human Resources procedures allow for four types of changes.

1. RECLASS - An individual(s) within a classification is evaluated in regard to moving that person(s) from others in the same classification to a higher (or lower) classification. Some instances may include a title change.
2. RERANGE - A classification in a given pay range is evaluated in regard to moving that position classification to a higher (or lower) pay range. This effects all employees in the classification, including single incumbent classifications. Some instances may include a title change.
3. RETITLE - A job title is evaluated in regard to changing the job title only. This does not affect pay.

4. REZONE – An individual within a broadband may be move to a higher-level zone within the broadband based on the employee’s performance.

The audit can also show that the position is properly classified and/or titled and that no changes are needed.

All requests from departments were submitted to Human Resources for review, and only those recommended for approval were forwarded to the Budget Review Committee for inclusion in the FY 2006 budget. Human Resources have notified all department heads of the status of their requests, whether approved or disapproved. All approved changes will be effective as of July 1, 2005.

Human Resources received a total of 27 requests for reclassification and 10 requests for rezones. The following shows those positions that were approved:

| <b>RERANGES</b>                      |           |                                     |           |                           |
|--------------------------------------|-----------|-------------------------------------|-----------|---------------------------|
| Old Position Classification          | Old Range | New Title                           | New Range | No. of Employees Effected |
| Public Information Officer           | 12        | No Change                           | 13        | 1                         |
| City Clerk                           | 12        | No Change                           | 13        | 1                         |
| Risk Manager                         | 13        | No Change                           | 14        | 1                         |
| Grants Manager                       | 12        | No Change                           | 13        | 1                         |
| Payroll Specialist                   | 9         | Payroll Supervisor                  | 10        | 1                         |
| Building and Safety Manager          | 12        | Building Inspection Section Mgr     | 13        | 1                         |
| Facility Maintenance Superintendent  | 13        | Facility Maintenance Manager        | 14        | 1                         |
| Plans Examiner                       | 9         | Building Plans Examiner             | 10        | 3                         |
| Housing and CD Specialist            | 9         | Housing and Grants Administrator    | 12        | 1                         |
| Environmental Supervisor             | 10        | Environmental Project Manager       | 12        | 1                         |
| Urban Designer                       | 13        | No Change                           | 14        | 1                         |
| Assistant City Attorney – Prosecutor | 13        | Assistant City Attorney Prosecu. II | 14        | 1                         |

| RECLASSES                         |           |                                    |           |                           |
|-----------------------------------|-----------|------------------------------------|-----------|---------------------------|
| Old Position Classification       | Old Range | New Title                          | New Range | No. of Employees Effected |
| Zoning Enforcement Officer        | 7         | Community Code Enforcement Officer | 8         | 1                         |
| Maintenance Worker I –Cemetery    | 4         | Maintenance Worker II              | 6         | 1                         |
| Library Supervisor, Outreach Ser. | 10        | Library Manager                    | 12        | 1                         |
| Administrative Assistant          | BB1       | Administrative Specialist          | BB2       | 1                         |

| RETITLES                    |           |                        |           |                           |
|-----------------------------|-----------|------------------------|-----------|---------------------------|
| Old Position Classification | Old Range | New Title              | New Range | No. of Employees Effected |
| Publications Associate      | 8         | Publication Specialist | 8         | 1                         |

| REZONES                   |          |               |          |                           |
|---------------------------|----------|---------------|----------|---------------------------|
| Current Job Title         | Old Zone | New Job Title | New Zone | No. of Employees Effected |
| Administrative Specialist | 1        | No Change     | 2        | 2                         |
| Administrative Specialist | 2        | No Change     | 3        | 2                         |
| Administrative Assistant  | 2        | No Change     | 3        | 1                         |

**REORGANIZATIONS**

Three mid-year reorganizations were implemented during FY 2006. The first was the reorganization of the IT Department when the new IT Director was hired. The major changes included changing the Division title from Information Systems (IS) to Information Technology (IT) implying, internally and externally, the appreciation for the hardware and software side of this industry. It also included title changes and the reclassification of the following positions: Customer Service Representative to an IT Services Supervisor, Computer Technician to an Application Specialist, Computer Technician I to an i5 Series Administrator, Client Service Administrator to Windows System Administrator, and the Programmer Analyst I to an IT Services Specialist.

The second reorganization occurred in the Project Management Section under Development Services in the Community Development Department. The Planner and Associate Planner positions were combined into one classification called Case Managers with three different levels, i.e. Case Manager I, II, III. The objective of the three levels of Case Managers is to deal with various levels of complexity and requiring various levels of technical expertise. This also addressed that the Project Management Section operate as a “single-point-of-contact” for all project review.

The third reorganization was in the Streets Section under Transportation and Maintenance Division under Public Works. The change was to reclassify the Streets Supervisor position (which became vacant) to a Streets Superintendent prior to advertising the job. The change would address the need for a higher-level of responsibility critical to the day-to-day operations of the section.

**POSITION ADDITIONS/DELETIONS**

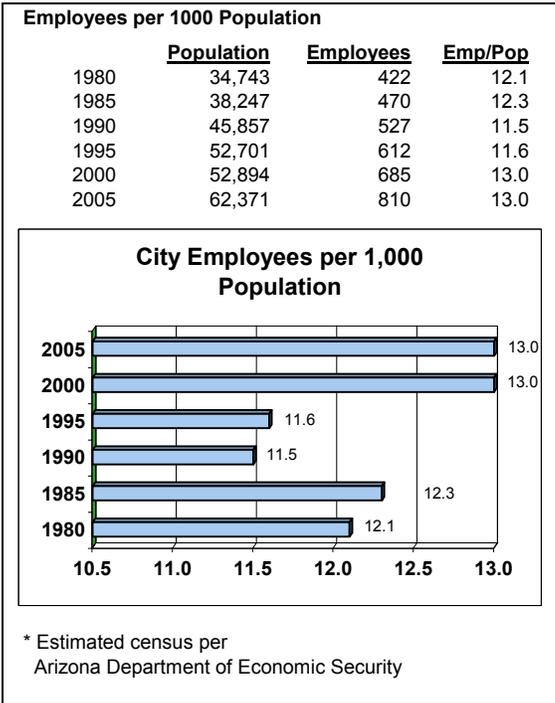
In preparing budget requests for FY 2007, new position requests would be considered for:

- 1) Those that could identify a funding source
- 2) Those needed for maintenance of effort
- 3) Those needed to fulfill Council direction

A review of the Personnel Table of Organization (see Appendix Section), provides complete detail, including staffing request changes that are reclassification requests and transfers of personnel between divisions to accommodate changing program needs.

A total of 41.5 FTE’s were added across all funds. The following detail highlights the five year historical staffing trend as well as the City’s calculation of City staff in comparison to population.

| City of Flagstaff<br>Authorized Personnel/Position Summary |               |               |               |                           |
|--|---------------|---------------|---------------|---------------------------|
| DIVISION   | 2004-2005     | 2005-2006     | 2006-2007     | Percentage<br>Incr/(Decr) |
| Public Safety  | 247.75        | 257.75        | 264.75        | 2.72%                     |
| Public Works   | 185.95        | 192.28        | 205.67        | 6.96%                     |
| Mgmt Services  | 85.00         | 86.00         | 92.27         | 7.29%                     |
| Community Development                                      | 80.75         | 85.50         | 93.00         | 8.77%                     |
| Utilities  | 74.50         | 76.50         | 79.00         | 3.27%                     |
| General Admin  | 69.50         | 70.00         | 75.00         | 7.14%                     |
|  | <u>743.45</u> | <u>768.03</u> | <u>809.69</u> | <u>5.42%</u>              |



**Increased Service Levels:**  
Staffing increases that are related to new programs include:

**City Clerk (1.0)** The City will add a second Deputy City Clerk to assist with both the ongoing coverage of duties in the Clerk's office and oversight of the records management system.

**Human Resources (1.0)** Due to greater complexity of City benefits, the City will focus a position as a Benefits Specialist to be responsible for activity related to health insurance, dental insurance, vision insurance, long term disability, life insurance, the Family Medical Leave Act, Cobra, and HIPAA.

**Risk Management (1.0)** This position will be responsible for investigating, managing, and paying claims within the City's self insurance retention. Some of these services are currently outsourced.

**Information Services (1.0)** Due to the increased complexity and dependence on the City's enterprise software, H.T.E., the City is adding a position whose

expertise will be focused on this software enabling users to maximize this tool.

**Library (1.75)** The City is adding the Grand Canyon Library to those managed by the local Flagstaff branch.

**MPO (0.5)** The Metropolitan Planning Organization is adding 0.5 FTE of an Administrative Assistant to help with various tasks.

**Community Investment (3.0)** A neighborhood planner position (1.0 FTE) would work on neighborhood plans including Sunnyside, Southside Plaza Vieja and Planning Reserve Areas in cooperation with the State Land Department. A Code Officer (1.0) and a Code Field Supervisor (1.0) will allow for the implementation of a property maintenance code for CDBG properties.

**Police (3.0)** Three police officers are being added to support security needs in the Flagstaff Municipal Court. The officers will be rotated into regular policing activities when not needed at the Court.

**Parks (1.0)** As the BMX Park has been completed additional staff time is needed to support the maintenance as well as other park growth throughout the City.

**Recreation (1.0)** A Senior Recreation Coordinator position is being budgeted in anticipation for hire in early 2007 to provide input on design and planning for the new Aquatic/ Multi-Gen Center.

**Environmental Services (2.6)** Environmental Services is adding a Residential Drop-Off Center at the landfill which necessitates one FTE Landfill Equipment Operator. A 0.6 FTE will staff the Small Business Waste Acceptance Program. And a 1.0 FTE Sustainability Coordinator will work toward staff education of environmentally friendly solutions.

**Maintaining Service Levels:**

**Information Systems (1.0)** Due to the growth in current work load in all GIS programs coupled with increased work demands from other City departments, the GIS program is adding one GIS technician.

**Library (1.50)** The Library is adding a 0.5 FTE Page position to assist with shelving material at the Downtown branch. In addition the East Flagstaff branch is adding 1.0 FTE to respond to the dramatic increase in growth experienced to date.

**Finance (1.13)** The Finance department is adding 1.0 FTE Account Clerk II to assist in managing the day-to-day growth experienced. In addition the City is replacing an external contract with 0.13 FTE intern to develop and report on performance measures.

**Development Services (3.0)** The City continues to experience high growth in both the residential and commercial sectors. To respond to the increased demands, the City is adding 1.0 FTE Inspector with a focus on large projects; 1.0 Associate Planner to maintain the level of service and quality assurance for private development processing; and 1.0 Case Manager to also assist with managing the level of growth. One Planner position previously considered temporary was authorized to become permanent position.

**Community Improvements (1.0)** A 1.0 Traffic Project Manager II is being added to maintain core customer service levels that are eroding due to work load increases.

**Fire (3.0)** The Fire Department is adding 3.0 Firefighters to increase overall staffing to meet NFPA 1710 standards in conjunction with the opening of the new station No. 1 anticipated in the spring of 2007.

**Police (1.0)** An Evidence Technician (1.0) is being added to assist in handling the increased volume of items received and processed by the Police Department.

**Facilities (1.0)** A Maintenance Worker III-HVAC position had been reduced through the VRC process in FY 2004. This position has been restored to perform HVAC service and maintenance.

**Recreation (0.24)** Various temporary position hours have been increased to meet current program design.

**Streets (1.0)** The Streets Division is adding 1.0 FTE of a Traffic Signal Tech II as there has been a 50% increase in the number of maintained traffic signals since 2002.

**Airport (0.5)** Additional Maintenance Worker temp time is needed to assist with mowing and weeds maintenance on the runway surface.

**Water/Wastewater (2.5)** Two Water Service Technician positions are being added to continue current customer service levels following increases in infrastructure and industry driven health and safety regulations. Also a 0.5 FTE Administrative Assistant position is needed to assist with the entry and filing of various tests and reports generated by inspectors.

**CVB (2.0)** A Publications Associate is needed to meet current demand to produce all collateral and media for the Convention and Visitors Bureau (CVB). In addition, additional administrative time is needed at the Visitors Center as there have been dramatic service increases due to walk-ins and overall visitor demands.

**Environmental Services (6.0)** Due to overall City growth, the Collections function will add a Collections Manager, Equipment Operator, 2 Bulk Crew staff, and an additional Relief Driver. Also, one FTE is needed to maintain the current level of effort in environmental code enforcement.

## **COST ALLOCATION**

The cost allocation plan has been developed utilizing a methodology that is in accordance with generally accepted accounting principles (GAAP). Incorporated within GAAP are three basic principles related to the allocation of central service support costs to operating departments that have been adhered to in the preparation of the cost allocation plan. First, costs should be necessary and reasonable for proper performance of a program. Second, costs should be charged or allocated to programs in accordance with relative benefits received. A program should only be charged for services it utilizes or benefits from, and should only be charged in relation to benefits derived from the service. Third, costs should be accorded consistent treatment as either direct or indirect. A cost should not be charged to a program as a direct cost if any other cost incurred for the same purpose in like circumstances have been allocated to the program as indirect costs. The methodology accommodates detailed analysis of all service areas through the provisions of a structure that identifies total costs (both direct and indirect) by activity and allocates/assigns costs to benefiting services utilizing a base that appropriately represents the level of benefit provided or derived from each activity by each service. The cost allocation is based on actual expenditures for the fiscal year ending June 30, 2005. The City utilized the services of a consultant to prepare this year's plan. The cost allocation plan also provides information for user fees and the ability to charge indirect cost to grants. The City also utilizes the cost allocation plan to calculate an indirect cost rate that is allowable in accordance with OMB A-87. The City will annually update the indirect cost rate based on actual expenditures, as required by OMB A-87.

## **METHODOLOGY**

A multiple allocation base methodology has been utilized to prepare the Plan. This methodology acknowledges that the utilization of central administration and support (indirect) services by users varies by type of service. The cost of each indirect service or activity of a service is allocated to users based on an appropriate allocation base related to the service performed. For example, general accounting has been allocated to users based on total budgeted expenditures; accounts payable activities have been allocated on the number of accounts payable transactions processed during FY 2005; and human resources activities have been allocated on the number of budgeted full-time equivalent positions served.

In selecting an allocation base to be used, the objective has been to utilize a base for each service that is available and reasonably results in the allocation of a service to users based on the relative benefit they receive or derive. A list of the allocation basis is provided in the Appendix.

City of Flagstaff, Arizona  
 FY2007 Full Cost Plan  
 Based on FY2005 Actuals

| CENTRAL SERVICE               | GENERAL             | LIBRARY           | HURF                | UTILITIES           | STORMWTR          | AIRPORT           | ENVIRON.          | TOTAL                | TOTAL CHARGED OUT - GF |
|-------------------------------|---------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|----------------------|------------------------|
|                               | 001                 | 030               | 040-044             | 201                 | 210               | 270               | SERVICES 280      | TOTAL                |                        |
| <b>General Fund Services</b>  |                     |                   |                     |                     |                   |                   |                   |                      |                        |
| Non-Departmental              | 2,564,998           | 59,936            | 174,933             | 282,800             | 22,179            | 64,166            | 159,068           | 3,328,080            | 763,082                |
| Council & Commissions         | 129,422             | 12,119            | 38,622              | 41,071              | 2,022             | 7,695             | 29,019            | 259,970              | 130,548                |
| City Manager                  | 409,286             | 48,757            | 101,862             | 124,052             | 8,822             | 20,534            | 91,698            | 805,011              | 395,725                |
| City Clerk                    | 146,807             | 9,513             | 29,451              | 33,457              | 1,549             | 5,689             | 22,742            | 249,208              | 102,401                |
| City Attorney                 | 373,412             | 19,200            | 59,438              | 64,196              | 3,127             | 11,482            | 45,899            | 576,754              | 203,342                |
| Human Resources               | 332,184             | 27,109            | 24,232              | 45,117              | 3,674             | 6,786             | -                 | 439,102              | 106,918                |
| Risk Management               | 86,204              | 8,627             | 15,403              | 19,843              | 1,209             | 3,301             | 8,288             | 142,875              | 56,671                 |
| Management Services           | 339,214             | 33,338            | 114,374             | 170,746             | 11,873            | 24,149            | 48,737            | 742,431              | 403,217                |
| Information Systems           | 471,765             | -                 | 33,729              | 293,752             | 25,297            | -                 | 80,107            | 904,650              | 432,885                |
| Finance                       | 424,986             | 54,822            | 56,766              | 143,766             | 12,203            | 40,370            | 48,891            | 781,804              | 356,818                |
| Sales Tax & Licensing         | 553,535             | 16,700            | 1,029               | 23,202              | -                 | 26,662            | 39,526            | 660,654              | 107,119                |
| Public Works Admin.           | 66,607              | -                 | 80,941              | -                   | -                 | 45,382            | 88,446            | 281,376              | 214,769                |
| Public Facilities Maintenance | 420,684             | 79,452            | 35,397              | 23,434              | 8,239             | 16,344            | 25,173            | 608,723              | 188,039                |
| Mechanical Shop               | 94,918              | 625               | 66,427              | 23,977              | 34                | 3,491             | 115,156           | 304,628              | 209,710                |
| Community Devel Admin         | 204,008             | -                 | -                   | -                   | -                 | -                 | -                 | 204,008              | -                      |
| Engineering                   | 413,447             | -                 | 729,403             | 537,965             | 37,618            | -                 | -                 | 1,718,433            | 1,304,986              |
| Planning                      | 740,141             | 50,242            | 155,537             | 167,987             | 8,183             | 30,046            | 120,107           | 1,272,243            | 532,102                |
| Contributions                 | 178,876             | 11,641            | 36,921              | 63,249              | 3,833             | 24,855            | 29,767            | 349,142              | 170,266                |
| <b>Total General Fund</b>     | <b>7,950,494</b>    | <b>432,081</b>    | <b>1,754,465</b>    | <b>2,058,614</b>    | <b>149,862</b>    | <b>330,952</b>    | <b>952,624</b>    | <b>13,629,092</b>    | <b>5,678,598</b>       |
| <b>BY DEPARTMENT</b>          |                     |                   |                     |                     |                   |                   |                   |                      |                        |
| General Administration        | \$ 1,347,893        | \$ 113,206        | \$ 230,386          | \$ 286,665          | \$ 18,381         | \$ 47,792         | \$ 168,627        | \$ 2,212,950         | \$ 865,057             |
| Community Development         | 1,357,596           | 50,242            | 884,940             | 705,952             | 45,801            | 30,046            | 120,107           | 3,194,684            | 1,837,088              |
| Management Services           | 1,789,500           | 104,860           | 205,898             | 631,466             | 49,373            | 91,181            | 217,261           | 3,089,539            | 1,300,039              |
| Public Works                  | 582,209             | 80,077            | 182,765             | 47,411              | 8,273             | 65,217            | 228,775           | 1,194,727            | 612,518                |
| Non-Departmental              | 2,873,296           | 83,696            | 250,476             | 387,120             | 28,034            | 96,716            | 217,854           | 3,937,192            | 1,063,896              |
|                               | <b>\$ 7,950,494</b> | <b>\$ 432,081</b> | <b>\$ 1,754,465</b> | <b>\$ 2,058,614</b> | <b>\$ 149,862</b> | <b>\$ 330,952</b> | <b>\$ 952,624</b> | <b>\$ 13,629,092</b> | <b>\$ 5,678,598</b>    |
| <b>Utility Fund Services</b>  |                     |                   |                     |                     |                   |                   |                   |                      |                        |
| Customer Services             | \$ 14,932           | \$ 1,195          | \$ 3,503            | \$ (180,505)        | \$ 9,812          | \$ 725            | \$ 150,338        | \$ -                 | \$ -                   |

## **FLEET MANAGEMENT**

The goal of Fleet Management is to maximize vehicle and equipment usage, retain units as long as possible, and replace units that are predicted to experience high cost expenses and maintenance in the near future. The Fleet Manager uses numerous criteria in analyzing the fleet replacement needs. Initially, the age and utilization of all equipment and vehicles is reviewed to determine which equipment and vehicles are in need of replacement. In conjunction with the end user, the equipment and vehicles are then scheduled for evaluation.

The Fleet Manager, along with shop staff, evaluates each piece of equipment submitted for review. The Fleet Manager evaluates fiscal year-to-date costs to determine if the vehicle or equipment has had any recent major repairs. If engines or transmissions have been replaced or overhauled recently, retention is a strong consideration in the overall evaluation. If the units are mechanically sound and the body is in reasonably good condition, the unit is usually recommended for retention for another year.

If a unit has incurred a significant number of expenditures and is likely to experience major component failures, the unit will be recommended for replacement by the Fleet Manager and forwarded to the City Fleet Management Committee, which is comprised of line workers throughout the City. The Committee must make difficult decisions as to allocation of assets due to the thorough review by the Fleet Manager and limited financial funds.

This past fiscal year the Fleet Committee had a very busy year. Some of the major accomplishments that occurred:

- This past year Fleet Services performed 48 physical evaluation requests, 44 of them were forwarded to the Fleet Committee for consideration. The unusually high number of requests is due to the culmination of the last four successful years of rotating older, lower mileage vehicles that were deferred purchases during tight budget years. This should catch our fleet up on our replacement program in FY 06-07.
- Three hybrid vehicles were purchased for Environmental Services this year: a Toyota Prius and two (2) Ford Escapes. Fleet will track maintenance and operations expenses for comparative purposes to gasoline vehicles.
- Within Public Safety we moved forward with the purchase of a new Quint truck (bond funded), heavy rescue vehicle (grant funded) and a replacement pumper for the Fire Department. In the Police department a prisoner transport vehicle was ordered. Due to long lead-times the budget for these vehicles will be carried over to FY 06-07.
- The Police Department requested and received approval to move forward with the purchase of a grant funded ATV for off-road and remote travel.
- Within Utilities completed the purchase of two hydro vacuum sewer-cleaning units, a replacement and an additional unit for a new crew. The budget for these units has been carried over to FY 06-07.
- One large bookmobile and a 28-foot bookmobile, approved for replacement, have been ordered with donated funds. The funds for the purchase have been carried forward to FY 06-07.
- Fleet services replaced an old diesel forklift with a new propane powered forklift.

**FLEET FISCAL YEAR 2007 REPLACEMENTS**

| <u>DIVISION</u>                 | <u>AMOUNT</u>  | <u>DIVISION</u>                    | <u>AMOUNT</u>    |
|---------------------------------|----------------|------------------------------------|------------------|
| 16 DEVELOPMENT SERVICES         |                | 38 AIRPORT                         |                  |
| PICKUP, 4X4 EXT CAB             | \$ 19,675      | MOWING TRACTOR                     | 57,900           |
| PICKUP, 3/4 TON W/LIFT          | 19,675         | PICKUP, 3/4 TN 4X4 WITH PLOW       | 28,000           |
| HYBIRD SUV (3)                  | 87,000         |                                    | <u>85,900</u>    |
| 21 FIRE                         |                | 47 LAKE MARY WATER TREATMENT PLANT |                  |
| FULL SIXE SUV                   | 27,650         | PICKUP, 1 TON FLAT BED W/CRANE     | 60,000           |
| MID SIZE SUV                    | 24,500         | 49 WATER DISTRIBUTION              |                  |
| ATV, UTILITY                    | 13,500         | SERVICE TRUCK, 1/2 TON 4X4 (2)     | 100,000          |
| 22 POLICE                       |                | <b>TOTAL UTILITIES FLEET</b>       | <u>160,000</u>   |
| PATROL SEDANS (6)               | 136,200        | 41 ENVIRONMENTAL SERVIC            |                  |
| HYBIRD SUV (3)                  | 82,000         | TOPLOADER-COMMERCIAL               | 230,000          |
| 23 POLICE GRANTS                |                | SIDELOADER-RESIDENTIAL             | 215,000          |
| ATV, UTILITY                    | 14,000         | REBUILD DOZER                      | 145,000          |
| 26 PARKS                        |                | PICKUP, 1 1/2 TON BIN MAINTENANCE  | 60,000           |
| AIR COMPRESSOR                  | 18,500         | ROLL OFF TRUCK (2)                 | 350,000          |
| TRAILER, WATER TANK             | 6,100          | RAPID RAIL                         | 195,000          |
| TRAILER, TILT                   | 7,200          | TOPLOADER                          | 220,000          |
| SKIDSTEER LOADER (2)            | 64,000         | <b>TOTAL ENVIRONMENTAL</b>         |                  |
| UTILITY TRACTOR                 | 20,000         | <b>SERVICES FLEET</b>              | <u>1,415,000</u> |
| SKIDSTEER LOADER (TRANSFER)     | -              |                                    |                  |
| PICKUP, 3/4 TON (2)             | 35,000         | <b>TOTAL FLEET REPLACEMENTS</b>    | <u>2,776,400</u> |
| <b>TOTAL GENERAL FUND FLEET</b> | <u>575,000</u> |                                    |                  |
| 11 LIBRARY                      |                |                                    |                  |
| MINIVAN                         | 20,500         |                                    |                  |
| <b>TOTAL LIBRARY FLEET</b>      | <u>20,500</u>  |                                    |                  |
| 32 STREET MAINT. & REPAIR       |                |                                    |                  |
| STREET SWEEPER                  | 190,000        |                                    |                  |
| DUMP TRUCK, 10 WHEEL (2)        | 330,000        |                                    |                  |
| <b>TOTAL HURF FLEET</b>         | <u>520,000</u> |                                    |                  |

## Objectives for FY 2007

- Purchase hybrid vehicles for approved replacement units if appropriate to users' needs.
- Monitor maintenance and operations costs for fleet hybrid vehicles for comparisons to gasoline vehicles.
- Review E85 ethanol fueled vehicles and encourage vendors to provide an ethanol fuel source.
- Analyze vehicles that could operate with E85 ethanol fuel that may not fit hybrid availability.
- Continue to encourage fuel economy and efficiency by recommendations to downscale appropriate vehicles the users' job performance.
- Continue to analyze vehicle utilization and recommend rotation to attain required miles and age criteria.
- Review requests for 24 new vehicles associated with new personnel and make recommendations for purchase.

## FIVE-YEAR IT PLAN

The City of Flagstaff's medium term IT plan focuses on establishing a viable replacement program for end-user equipment as well as servers and other equipment. Our goal is to continually improve the quality of service IT provides to the City's employees as well as to the citizens of the Greater Flagstaff area.

### Items to consider

- Creation of IT plan
- E-Government initiatives such as click2gov.
- Continued improvements in remote site connectivity, including possible build-out with NPG, and redundancy.
- Examination of permitting system options.
- Aerial imagery of the city and surrounding area.
- Establishment of digital data standards for submission to the City.
- Disaster recovery planning.
- Plan for city-wide imaging solution.
- New server consolidation effort.
- Upgrade of Xiotech SAN to latest equipment.
- Data sharing with public and private agencies.

## FY2007 Acquisitions

### City and Imaging Solutions

Some large expenditures in FY2007 in the areas of networks and equipment upgrades. IT will be continuing to deploy replacement PCs at an accelerated pace. Server replacement will be accompanied by a more scaleable and robust infrastructure approach.

## Replacements and GIS \$525,000

- Personal computers \$240,000 – The budgeted amount should allow replacement of a majority of the remaining end-user equipment that is out of date.
- Xiotech SAN \$100,000 – The current SAN will go out of support in 2010, we have an opportunity to upgrade to the latest equipment (need of expansion).
- Network Equipment \$175,000 – This replacement budget encompasses new server purchases as well as other network equipment.
- GIS hardware and software upgrades \$10,000

## Special Projects

- NPG INET \$350,000 – This initiative funds the City's obligation under the proposed INET agreement.

## E-Government \$40,000

The City is working on the implementation of online utility billing access, and employee web access to payroll and online vendor registration. The committee will consider additional e-government opportunities.

## New Hardware/Software and Upgrades \$979,854

Monies used for upgrading existing software to newest versions and/or ensuring we are licensed properly. New software purchases funded from these funds may include AutoCAD, Visio system and modules for enhancing existing applications.

The City has engaged their software consultant to review the City's use of HTE software. The recommendations include various business analyses of our system, training in all system areas and additional applications, a \$619,000 proposal. Staff will prioritize these recommendations for implementation. The City has had this software system for 15 years. Staff turnover has resulted in lost knowledge, which has lead to system inefficiencies. The addition of staff and software will support the consultant's recommendations.

The City has a legacy software system for the collection of sales tax. In order to meet today's customer needs we need to change the existing software. Staff has been exploring alternatives and needs to set aside \$1 million dollars over the next two years to accommodate a new system. This is based on what other cities have spent for new systems. Staff will continue to examine alternatives and bring these to council in early fall.

A work order system for the financial enterprise is still needed. A comprehensive software solution to Human Resources is being contemplated. This would include a full service system to manage the process from

application for employment through the hiring process to payroll. Funds are allocated to continue the business process analyses of our financial software systems, including fleet and work orders.

**Public Safety \$515,900**

The police departments MIS needs include laptop replacement and contribution to the network upgrade. The Police and Sheriff offices share the costs associated with software and radio upgrades.

**2007 Carryover:**

|                      |          |
|----------------------|----------|
| Phone Switch upgrade | \$55,000 |
| PC's and laptops     | 24,700   |
| Imaging Server       | 30,000   |
| Software carryover:  |          |

|                          |          |
|--------------------------|----------|
| Field Reporting          | \$20,000 |
| CAD upgrade              | 40,000   |
| Incident based reporting | 14,200   |
| E-citation (grant)       | 118,000  |

**2007 Budget**

|                        |          |
|------------------------|----------|
| Equipment replacements | \$59,000 |
| Laptops                | 6,800    |
| Detective Software     | 9,200    |
| Radio Replacements     | 20,000   |
| IT network capital     | 78,000   |
| Addl CAD upgrade       | 41,000   |



| <b>MIS Five Year Projections</b>                | <b>Budget<br/>FY2006</b> | <b>Actual<br/>FY2006</b> | <b>FY2007</b>    | <b>FY2008</b>    | <b>FY2009</b>  | <b>FY2010</b>  | <b>FY2011</b>  |
|---|--------------------------|--------------------------|------------------|------------------|----------------|----------------|----------------|
| <b>Replacement Programs</b>                     |                          |                          |                  |                  |                |                |                |
| Replacement PC's and Printers                   | \$ 80,000                | \$ 80,000                | 240,000          | 80,000           | 120,000        | 130,000        | 70,000         |
| GIS Workstations                                | -                        | -                        | -                | -                | -              | -              | -              |
| Network equip                                   | 275,000                  | 275,000                  | 275,000          | 200,000          | 240,000        | 320,000        | 240,000        |
| Wide Area Network                               | -                        | -                        | -                | -                | -              | -              | -              |
| Upgrade of servers                              | -                        | -                        | -                | -                | -              | -              | -              |
| CAD PC Replacements                             | -                        | -                        | -                | -                | -              | -              | -              |
| <b>Total - Replacement Programs</b>             | <b>355,000</b>           | <b>355,000</b>           | <b>515,000</b>   | <b>280,000</b>   | <b>360,000</b> | <b>450,000</b> | <b>310,000</b> |
| <b>GIS</b>                                      |                          |                          |                  |                  |                |                |                |
| Hardware upgrades/replacement                   | 5,000                    | 5,000                    | 5,000            | 10,000           | 5,000          | 10,000         | 30,000         |
| Software upgrades                               | 5,000                    | 5,000                    | 5,000            | 10,000           | 5,000          | 10,000         | 10,000         |
| <b>Total GIS</b>                                | <b>10,000</b>            | <b>10,000</b>            | <b>10,000</b>    | <b>20,000</b>    | <b>10,000</b>  | <b>20,000</b>  | <b>40,000</b>  |
| <b>E-Gov</b>                                    | <b>65,000</b>            | <b>65,000</b>            | <b>40,000</b>    | <b>40,000</b>    | <b>20,000</b>  | <b>30,000</b>  | <b>30,000</b>  |
| <b>New Hardware &amp; Software and Upgrades</b> |                          |                          |                  |                  |                |                |                |
| Work Order Management                           | 25,000                   | 25,000                   | -                | -                | -              | -              | -              |
| Sales Tax Software                              | -                        | -                        | 500,000          | 500,000          | -              | -              | -              |
| Hardware & Software Purchases                   | 252,000                  | 252,000                  | 479,854          | 224,174          | 216,000        | 150,734        | 252,734        |
| <b>Total New Hardware &amp; Software</b>        | <b>277,000</b>           | <b>277,000</b>           | <b>979,854</b>   | <b>724,174</b>   | <b>216,000</b> | <b>150,734</b> | <b>252,734</b> |
| <b>Public Safety</b>                            |                          |                          |                  |                  |                |                |                |
| Police Upgrades                                 | 218,000                  | 7,100                    | 183,200          | 149,000          | 149,000        | 149,000        | 212,000        |
| Police Laptops                                  | 36,000                   | -                        | 214,700          | 125,000          | 125,000        | 125,000        | 125,000        |
| E citation                                      | 118,000                  | -                        | 118,000          | -                | -              | -              | -              |
| <b>Total Public Safety</b>                      | <b>372,000</b>           | <b>7,100</b>             | <b>515,900</b>   | <b>274,000</b>   | <b>274,000</b> | <b>274,000</b> | <b>337,000</b> |
| <b>Total Expenditures</b>                       | <b>\$ 1,079,000</b>      | <b>\$ 714,100</b>        | <b>2,060,754</b> | <b>1,338,174</b> | <b>880,000</b> | <b>924,734</b> | <b>969,734</b> |
| <b>Funding</b>                                  |                          |                          |                  |                  |                |                |                |
| General Fund MIS allocation                     | \$ 760,574               | \$ 798,603               | 798,603          | 838,533          | 880,460        | 924,483        | 970,707        |
| One time monies                                 | -                        | -                        | 560,251          | 500,000          | -              | -              | -              |
| Carryover                                       | 200,000                  | 200,000                  | 583,900          | -                | -              | -              | -              |
| Grants  | 118,000                  | 118,000                  | 118,000          | -                | -              | -              | -              |
| <b>Total Funding</b>                            | <b>1,078,574</b>         | <b>1,116,603</b>         | <b>2,060,754</b> | <b>1,338,533</b> | <b>880,460</b> | <b>924,483</b> | <b>970,707</b> |
| <b>Expenditure Summary</b>                      |                          |                          |                  |                  |                |                |                |
| Replacement Program                             | 355,000                  | 355,000                  | 515,000          | 280,000          | 360,000        | 450,000        | 310,000        |
| Local & Wide Area Network                       | -                        | -                        | -                | -                | -              | -              | -              |
| GIS   | 10,000                   | 10,000                   | 10,000           | 20,000           | 10,000         | 20,000         | 40,000         |
| E-Gov   | 65,000                   | 65,000                   | 40,000           | 40,000           | 20,000         | 30,000         | 30,000         |
| Software Upgrades                               | -                        | -                        | -                | -                | -              | -              | -              |
| New Hardware & Software Purchases               | 277,000                  | 277,000                  | 979,854          | 724,174          | 216,000        | 150,734        | 252,734        |
| Other Expenditures                              | -                        | -                        | -                | -                | -              | -              | -              |
| Public Safety                                   | 372,000                  | 7,100                    | 515,900          | 274,000          | 274,000        | 274,000        | 337,000        |
| Carryover                                       | -                        | -                        | -                | -                | -              | -              | -              |
| <b>Total Expenditures</b>                       | <b>1,079,000</b>         | <b>714,100</b>           | <b>2,060,754</b> | <b>1,338,174</b> | <b>880,000</b> | <b>924,734</b> | <b>969,734</b> |

## **2006 Updates**

### **E-Government Update**

The City website continues to grow providing 24/7 access to City information and services. In 2005 there were 914,859 visits to the website and nearly 12 million hits. On average, 2,506 people visit our site per day while the average hits per day is close to 33,000. The pages most frequented in 2005 included: Job Openings, Visitor Information, Community Profile, Parks & Recreation, Airport, and Resource Links.

Providing critical information and customer service to the public was the goal in FY 2005-06. Links for online community access to Cityscape, Emergency Preparedness, Council agendas with staff summaries, board and commission handbook, and election information were added. The website was also a major source of information on city projects and programs with a high level of citizen interest including: affordable housing, stormwater, and development projects like Villagio Montana.

For FY 2006-07 the City's E-Government Team will continue to improve and modify the site including new online services. This includes HTE's "Click 2 Gov" allowing customers on the City website to complete online forms, register for programs, provide customer access to billing information, and online payments. Public access to GIS will be rolled out and the team will also develop policy on website pages for city boards and commissions. There is a budget of \$30,000 in Public Information and additional funding is available in non-departmental to facilitate maintenance and any additional E-gov activities.

### **Brownfield Land Recycling Program Update**

The Brownfield Land Recycling Program has just completed its first year of operation and is making progress on identifying Flagstaff's brownfield properties and devising strategies for cleanup and redevelopment. To date, staff has completed brownfield inventories of City owned property, underground storage tanks and leaking underground storage tanks, and tax delinquent properties that that might be suitable for brownfield redevelopment.

The City has received a Grant from the Arizona Department of Environmental Quality (ADEQ) for \$3,300 to complete a Phase I Environmental Site Assessment of the Babbitt Ford Property. Additional proposals have been submitted for community-wide assessments of brownfields in Southside, Plaza Vieja and adjacent industrial areas and to fund needed Phase I and Phase II assessment work for City owned properties along the Rio de Flag realignment corridor. Once assessment work is completed, staff will prepare a grant proposal to the EPA to fund the cleanup of these sites in preparation for the Rio de Flag flood control project.

Staff is working closely with the Community Development Department to devise a package of incentives for business owners and potential property buyers for brownfield redevelopment that will potentially include infrastructure improvements, tax abatement, and expedited permitting. Information has also been disseminated to property owners that are potentially eligible for leaking underground storage tank cleanup.

Other activities and accomplishments currently underway are:

- Identification of a suitable pilot property to test the process for acquisition, cleanup, and resale.
- Community outreach through presentations to business and community groups
- Brochure and website development
- Residential cleanup assistance for neighborhood associations
- Collaborating with other municipalities on the formation of a statewide coalition of municipal brownfield programs and an Arizona chapter of the National Brownfields Association.

### **Municipal Compost Program Update**

Since 1994 Environmental Services began a number of efforts to educate the public on composting including:

- The education of 5400 citizens of all ages through conducting composting workshops tours of the New Start Compost Demonstration Site, and school composting programs
- The distribution of 2,660 compost bins in the community.

Since FY2005, Environmental Services staff has been researching larger scale composting methodologies. A waste analysis at the Cinder Lake Landfill indicated that up to 60% of municipal solid waste (MSW) being landfilled has the potential for composting which would then extend landfill capacity and life.

During FY06/07, staff will continue to research the economic feasibility of municipal composting. Staff are also developing a comprehensive Solid Waste Management Plan to project long term strategies in order to maximize landfill life and implement projects in a meaningful order.

A large-scale municipal composting facility requires several years of planning. Staff has identified potential phases of research and implementation including:

- Compost facility engineering consulting to determine appropriate sizing and potential for expansion to fit the Flagstaff region
- A comprehensive economic feasibility study to compare projected expenses to avoided costs.

Staff will formally update Council once there is better understanding of the feasibility of a municipal compost operation and have formulated recommendations.

## **Fuel Management Update**

Highlights of the Fuel Management program to date include:

- Securing/managing grants of over \$1 million
- Completing/approving 9,650 acres of Forest Stewardship Plan
- Logging 10,300 hours of volunteer time
- Marking 3,750 acres
- Provide forest treatments (thinning and prescription fire) to 7,500+ acres

The challenges faced by this program is that costs have increased from \$100,000 per year to roughly \$400,000 in FY2006. Current grants will expire on-or-before Sept 30, 2007 and available grant opportunities have remained static and/or declined (with no increase likely), while competition has markedly increased. To maintain current activity levels, additional General Fund support will be needed (offset by partial grant funding as is available).

The FY2007 budget year allows for the seasonal crew to be increased to meet current service demands. These individuals would work November through April, augmenting permanent staff. Duties would focus on prescribed burning and hazard tree removals (including those killed by bark beetles), as well as selective thinning operations.

## **Workforce Planning, Leadership Development, and Succession Planning**

Workforce planning has become one of the greatest challenges facing our organization today. The City is using succession planning and leadership development as tools to address this issue. Succession planning not only aligns recruits for vacancies but it also creates a system that has a number of employees ready to step up and take over leadership positions that will become vacant either through planned retirement or unplanned departures.

The City has now completed the second year of succession planning otherwise known as the "Leadership Talent Development Program (LTDP). The LTDP consists of the following:

- Establishing a systematic transfer of knowledge and development of talent from current leaders to potential leaders.
- Evaluating potential leaders, provide them training and development, and career opportunities.
- Providing a consistent basis for employee evaluation, recruitment, development, and retention of top performers, improve entry-level skills and compete with other industries and municipalities for talent.

By August 2006 all department managers and supervisors will have attended a two-day workshop called "Setting a Climate for Development." The workshop provides a framework and a process for managers and supervisors to start developing employees to learn and gain the competencies needed for the future. These competencies were developed specifically for the City by management and employees.

Workshops will be offered on an annual basis to cover the following areas:

- Taking Charge of Your Own Professional Development
- Getting the Job You Want
- Working with Elected Officials
- Ethics Training

Additional efforts will be comprised of a:

- Mentoring program
- Manager's/Supervisor's orientation, and
- Behavioral interviewing.

The City will measure its success through the completion of a follow up Climate Survey. The first was completed in March 2005 where issues including internal career opportunities, employee recognition, and communication were identified.

## **2007 ISSUES**

### **Short Term Facility Needs and Long Term Facility Plan**

Several City departments and divisions have exceeded their current office space due to increased staffing and the need for additional storage space. Also, nine new positions have been approved for FY 2007 that will reside at City Hall.

To address these short-term needs the following recommendations are made

- Begin a renovation project at the APS (ECO) building.
- Begin a renovation project at the Army Corp of Engineers building.

In addition, long term facility needs must be addressed. Growth in most of the City's major divisions will create on-going office space and parking problems.

An expansion to City Hall and the construction of a parking garage would provide the necessary office space for all departments. A new Court building housing Legal will meet all current and future needs for the Court Administration and the Legal staff. The Fire Administrative offices will be relocated to Fire Station #2 upon its completion in 2008.

To best address both the short and long term City needs it is recommended to hire an outside consultant for a complete department-by-department analysis based on

1999 – 2005 actual growth numbers. This analysis will provide detailed staffing studies required for long range planning recommendations as well as address remodels that may require code compliance and thus upgrades in both the Life Safety systems and ADA (Disabilities Act).

### **Parks and Recreation 10-Year Capital Needs**

Both Parks and Recreation have developed 10-year plans to facilitate discussions regarding future capital needs. In addition, those plans provide a prioritization and balance of capital needs based upon safety, aesthetics, improvements, and budget allocations. These plans also demonstrate the need to increase the current annual allocation totaling \$135,000.

The current annual capital budget of \$135,000 is used to:

- Replace landscaping and park maintenance equipment
- Purchase all necessary equipment for recreational programs and services
- Perform scheduled building/facility improvements, enhancements, and/or renovation. The age of City facilities contributes to the need for structural attention on a regular basis.
- Provide for safety improvements and replacements

Planning for these improvements and/or replacements requires the prioritization of items based first upon safety for our patrons, participants and staff. Following the need to address safety, we must determine the lifespan of each piece of equipment and facility improvement and weigh the urgency with budget availability. The estimated cost for each capital item is reviewed annually for accuracy, while long-range purchase projections are updated closer to the purchase year. It has been a challenge to meet all of the needs of Parks and Recreation with the current annual allocation.

Staff is asking for Council consideration to increase the current Parks and Recreation capital allocation to better meet existing needs.

### **Hybrid Vehicles**

Hybrid-electric vehicles (HEVs) combine the benefits of gasoline engines and electric motors and can be configured to obtain different objectives, such as improved fuel economy, increased power, or additional auxiliary power for electronic devices and power tools. The City of Flagstaff has purchased three hybrid vehicles to date including two (2) Ford Escapes and one (1) Toyota Prius. The HEVs are designed to obtain better fuel economy and reduce emissions by combining a smaller gasoline engine with a battery-powered electric motor that are capable of doubling the mileage of conventional cars. The energy from stopping and slowing down is captured and converted into electricity, which is used to recharge the high voltage battery pack.

The technology is fairly new with very limited models of vehicles currently available; hybrids vehicles currently represent less than 2 percent of total vehicle sales. The initial investment (purchase price) for a hybrid is currently considerably more due to the technology, demand and limited supply. Our past experience has shown that the level of incentives provided to fleets in Arizona for the purchase of hybrids has not been great, primarily due to the high demand.

While it is still too early to determine what if any savings the City will realize, it is clear that hybrids consume less fuel, emit less pollutants as some hybrids vehicles are classified as partial zero emission vehicles.

The City Council has directed staff to continue purchasing hybrid vehicles and through that direction the City will add an additional 7 hybrid vehicles to the fleet for FY 2007.

### **IT Evolution**

Information systems, applications and support of them have become more and more complex and the City of Flagstaff has used a variety of approaches to evaluate, deploy and support solutions that require Information Technology involvement. An enterprise application deployment strategy was frequently not used which has resulted in a number of applications serving departmental specific needs when the application could potentially serve a larger base within the organization. Frequently, hardware, software, and staffing support issues were not addressed prior to purchase. Going forward, a model of enterprise application deployment needs to be embraced by management and staff.

To formalize a selection and deployment process, a basic structure should be in place encompassing the following areas:

- Identify the problem to be solved, who the solution will impact, and how project success is defined.
- Identify an individual or a team as project managers who are accountable to stakeholders for the project success.
- Identify and document vendor neutral requirements that are comprehensive and incorporate Information Technology requirements.
- Evaluate products against the requirements through the formal procurement process.
- Once a solution is identified, document and agree on support burden among the stakeholders – this includes rollout tasking as well as long term support.
- Performance acceptance testing and obtain signoff from all original stakeholders that the solution does in fact meet the requirements.

This is one proposed approach which would be sufficient to establish processes to ensure the City has viable long-term application solutions.

## **Wireless Internet**

The City of Flagstaff has an opportunity to provide wireless Internet access to the citizens of the City and potentially surrounding areas. Depending on the cost of service this initiative can contribute significantly to bridging the digital divide. The City stands to benefit by having available technology that will allow mobile staff (such as building inspectors) a way to remotely complete their regular workflows.

Legislation is changing that affects the level of involvement cities can take in the availability of wireless service so now is the time for the City to evaluate its options.

The benefits of a potential commercial wireless infrastructure extend beyond the borders proper of the City of Flagstaff into the County. As such we will involve our IT partners within governmental agencies in the Greater Flagstaff area in the solution.

The City is interested in a “franchise” type arrangement with a private company building and providing service with the City being a provider of assets. We will approach the problem initially by creating a Request for Information (RFI) that discusses our requirements as well as our items that we’d like respondents to address. We’ll evaluate responses and if we move to a Request for Proposal (RFP) process, respondents to the RFI will be invited to compete for the project.

To support this initiative going forward it may be necessary to develop an Inter-governmental Agreement (IGA) to establish the wireless “alliance”. The immediate goal is to either have a commercial wireless network or the necessary knowledge to make a decision to not move forward.

## **H.T.E. – Enterprise Software**

The City of Flagstaff purchased H.T.E. as the city enterprise software in 1990. Modules that are currently being used include:

- GMBA (Accounting)
- Payroll
- Accounts Payable
- Customer Service (utility billing)
- Fleet
- Fixed Assets
- Purchasing
- Miscellaneous revenue

Through time, system enhancements have not been consistently utilized. The City had H.T.E. complete a system evaluation evaluating software solutions that may be available to facilitate work processes. H.T.E. had a number of recommendations including both process evaluation and onsite training so that the City could improve our efficiency with this software. The City will be looking for ways to implement the H.T.E.

recommendations in an orderly and systematic manner so that work efficiencies are achieved.

In addition, the City had already independently determined to purchase three new modules in FY 2007. The Click-2-Gov module will facilitate internet business applications. Human Resources will be analyzing the HTE HR module and Applicant Tracking for integration. And the City is purchasing the Work Order system to facilitate work planning and labor distribution.

To facilitate timely implementation, it is recommended to contract project management skills from H.T.E. to assist with both the Human Resource and Click-2-Gov implementation. For Work Orders, it is recommended to dedicate an existing City staff member to coordinate citywide efforts. In addition, the IT Division will deploy an FTE to help with all of these efforts as appropriate.

## **Affiliate and Branch Libraries in Coconino County**

The Library Council was established as a means to maintain active communication among the libraries and allows a measure of self-direction in deciding the best means of providing service to the citizens of Coconino County. A staff member from every public library in Coconino County is a member of the Council. The role of Flagstaff City – Coconino County Public is to assist all of these libraries in areas such as planning, technical support, automation installation and repair, training and workshops, and selection and purchasing of materials and other equipment. Assistance and guidance is also provided in the operation of library services and policy issues.

Most of the public libraries in this County can be described as affiliates. They are in communities that are self-governed and receive supervision, direction and control from their local government. They also receive funding from local sources in addition to Coconino County.

Affiliate libraries are:

- Fredonia Public Library
- Havasupai Village Library
- Page Public Library
- Sedona Public Library
- Williams Public Library

The East Flagstaff Community Library, the County Bookmobile, the Correctional Facility Library, Forest Lakes Community Library, the Grand Canyon Community Library, and Tuba City Public Library are branches of the Flagstaff library system and are supervised directly by the Outreach Services Supervisor. Forest Lakes and Tuba City are branch libraries because there is no governing agency or nonprofit organization that is authorized to operate or fund the libraries in these two communities.

**Street Condition & Maintenance - Short & Long Term Plan**

The Public Works Department manages the annual overlay maintenance program. Yearly, half the city's streets are evaluated and the ratings are entered into our Carte Graph Pavement Management Software where the Overall Condition Index (OCI) is calculated. An OCI of 100 is considered an excellent street. The lower the OCI number the more maintenance it will require. Through this program, surface treatments are done such as chip seals, crack fill and micro seal. Should a street need new asphalt, concrete work is required to meet the American with Disabilities Act requirements.

Currently chip seals are done on streets with an OCI rating of 53 and above with an estimated turn around of 15+ years. Our resurfaced streets have an OCI rating of

40 to 52 and an estimated turn around of 22+ years. Any rating under 40 is marked for reconstruction.

The OCI listing is calculated from lowest to highest ratings and staff then prioritize the needs.

It has come to the City's attention that there are data integrity issues within the Pavement Management System. Data is missing and/or not accurate. In the short-term, it is recommended to hire a temporary employee to review the field data for accuracy and rework the data in the Pavement Management software.

For the longer term, the City will develop criteria on when streets should be chip sealed or resurfaced by using the OCI ratings. The result of this effort will be the development of a 10-year plan complete with budget implications.



Schedule 1: Total Resources and Appropriations Summary

CITY OF FLAGSTAFF  
SUMMARY SCHEDULE OF ESTIMATED REVENUES AND EXPENDITURES/EXPENSES  
FISCAL YEAR 2006-2007

|                         | UNRESERVED<br>FUND BALANCE/<br>RETAINED<br>EARNINGS<br>AT<br>7/1/2006 | ESTIMATED<br>REVENUES<br>AND OTHER<br>FINANCING<br>SOURCES<br>2006-2007 | INTERFUND TRANSFERS<br>2006-2007 |                     | TOTAL<br>FINANCIAL<br>RESOURCES<br>AVAILABLE<br>2006-2007 | OPERATIONS        | CAPITAL<br>OUTLAY<br>(EQUIP/CIP) | DEBT<br>SERVICE   | RESERVES/<br>CONTINGENCIES | TOTAL<br>APPROPRIATIONS<br>2006-2007 | FUND<br>BALANCE<br>6/30/2007 |
|-------------------------|---|---|----------------------------------|---------------------|---|-------------------|----------------------------------|-------------------|----------------------------|--------------------------------------|------------------------------|
|                         |   |   | IN                               | OUT                 |   |                   |                                  |                   |                            |                                      |                              |
| General Fund            | \$ 24,344,560   | 48,404,110  | 5,293,765                        | (12,964,340)        | 65,078,095  | 46,099,475        | 6,453,735                        | 933,933           | 500,000                    | 53,987,143                           | 11,090,952                   |
| Special Revenue Funds:  |   |   |                                  |                     |   |                   |                                  |                   |                            |                                      |                              |
| Library                 | 659,214   | 3,391,501   | 1,445,706                        | (328,391)           | 5,168,030   | 4,548,517         | 345,500                          | -                 | 100,000                    | 4,994,017                            | 174,013                      |
| Highway User Revenue    | 7,751,055   | 12,110,836  | 9,200,020                        | (85,401)            | 28,976,510  | 5,109,524         | 17,961,093                       | 2,411,086         | 100,000                    | 25,581,703                           | 3,394,807                    |
| Transportation          | 8,459,852   | 8,957,589   |                                  | (8,034,297)         | 9,383,144   | 2,762,433         | 2,840                            | 1,969,100         |                            | 4,734,373                            | 4,648,771                    |
| Beautification          | 2,505,716   | 5,798,621   | 1,526,000                        | (175,201)           | 9,655,136   | 103,550           | 9,438,578                        | -                 | 10,000                     | 9,552,128                            | 103,008                      |
| Economic Development    | 314,247   | 446,043   | 131,000                          |                     | 891,290   | 621,400           |                                  |                   | 25,000                     | 646,400                              | 244,890                      |
| Tourism                 | 376,640   | 1,535,378   |                                  | (9,437)             | 1,902,581   | 1,623,291         | 199,537                          |                   | 50,000                     | 1,872,828                            | 29,753                       |
| Arts & Science          | 274,289   | 356,198   | 35,000                           |                     | 665,487   | 621,487           |                                  |                   | 10,000                     | 631,487                              | 34,000                       |
| Recreation-BBB          | 1,969,579   | 2,776,501   | 1,817,936                        | (1,685,639)         | 4,878,377   |                   | 4,809,145                        |                   |                            | 4,809,145                            | 69,232                       |
| Real Estate Proceeds    | 2,467,612   | 1,247,350   |                                  | (2,881,000)         | 833,962   |                   | 150,000                          |                   |                            | 150,000                              | 683,962                      |
| Housing and Comm Svcs   | 2,232,017   | 1,852,729   | 341,953                          |                     | 4,426,699   | 4,362,961         |                                  |                   |                            | 4,362,961                            | 63,738                       |
| Metro Planning Org      | -   | 991,417   | 25,000                           |                     | 1,016,417   | 776,417           |                                  |                   | 240,000                    | 1,016,417                            | -                            |
| Debt Service Funds:     |   |   |                                  |                     |   |                   |                                  |                   |                            |                                      |                              |
| G.O. Bond Fund          | 17,286  | 300   | 3,111,708                        |                     | 3,129,294   |                   |                                  | 3,111,708         |                            | 3,111,708                            | 17,586                       |
| Sec. Property Tax       | 1,168,398   | 5,261,356   |                                  | (5,366,920)         | 1,062,834   |                   |                                  |                   |                            | -                                    | 1,062,834                    |
| Special Assessment      | 417,519   | 29,181  |                                  |                     | 446,700   |                   |                                  | 91,447            |                            | 91,447                               | 355,253                      |
| Permanent Funds:        |   |   |                                  |                     |   |                   |                                  |                   |                            |                                      |                              |
| Perpetual Care          | 75,697  | 29,988  |                                  |                     | 105,685   |                   |                                  |                   |                            | -                                    | 105,685                      |
| Capital Projects Funds: |   |   |                                  |                     |   |                   |                                  |                   |                            |                                      |                              |
| Capital Projects Bond   | 28,015,857  | 5,065,995   | 1,100,000                        |                     | 34,181,852  |                   | 24,968,369                       |                   |                            | 24,968,369                           | 9,213,483                    |
| Enterprise Funds:       |   |   |                                  |                     |   |                   |                                  |                   |                            |                                      |                              |
| Water and Wastewater    | 10,176,037  | 66,483,391  | 2,411,086                        | (2,568,880)         | 76,501,634  | 12,245,824        | 33,694,379                       | 5,158,884         | 1,400,000                  | 52,499,087                           | 24,002,547                   |
| Airport                 |   |   |                                  |                     |   |                   |                                  |                   |                            |                                      |                              |
| Operating               | 10,779  | 10,286,022  | 1,434,024                        | (33,567)            | 11,697,258  | 1,450,017         | 9,655,910                        | 580,114           |                            | 11,686,041                           | 11,217                       |
| Airpark Proceeds        | 738,936   | 11,100  |                                  | (660,595)           | 89,441  |                   |                                  |                   |                            |                                      | 89,441                       |
| Environmental Services  | 5,995,144   | 9,938,330   | 32,500                           | (19,488)            | 15,946,486  | 8,961,415         | 3,725,873                        |                   | 500,000                    | 13,187,288                           | 2,759,198                    |
| Stormwater Utility      | 1,304,411   | 1,088,991   | 7,042,458                        | (135,000)           | 9,300,860   | 1,151,684         | 7,835,899                        |                   | 10,000                     | 8,997,583                            | 303,277                      |
| Fiduciary Funds:        |   |   |                                  |                     |   |                   |                                  |                   |                            |                                      |                              |
| Firemen's Pension       | 216,406   | 5,400   |                                  |                     | 221,806   | 14,400            |                                  |                   |                            | 14,400                               | 207,406                      |
| <b>TOTAL ALL FUNDS</b>  | <b>\$ 99,491,251</b>  | <b>186,068,327</b>  | <b>34,948,156</b>                | <b>(34,948,156)</b> | <b>285,559,578</b>  | <b>90,452,395</b> | <b>119,240,858</b>               | <b>14,256,272</b> | <b>2,945,000</b>           | <b>226,894,525</b>                   | <b>58,665,053</b>            |

Schedule 2: Tax Levy

CITY OF FLAGSTAFF  
EXPENDITURE LIMITATION  
AND  
TAX LEVY INFORMATION  
FISCAL YEAR 2006-2007

|  | <u>ESTIMATED</u><br><u>FY 2005-2006</u> | <u>FY 2006-2007</u>   |
|--|---|-----------------------|
| Expenditure Limitation<br>[Economic Estimates Commission]  |   | <u>\$ 105,535,929</u> |
| Total Estimated Expenditures Subject<br>to Expenditure Limitation  |   |                       |
| 1. Maximum Allowable Primary Property<br>Tax Levy [ARS 42-17051.A] rev 6/06 HB 2876  |   |                       |
|  | <u>\$ 9,474,877</u>                     | <u>\$ 4,392,959</u>   |
| 2. Amount Received from Primary Property<br>Taxation in FY 2005-2006 in Excess of<br>the Sum of that Year's Maximum Allowable<br>Primary Property Tax Levy [ARS 42-17102.A.18] |   |                       |
|  | <u>\$ -0-</u>                           |                       |
| 3. Property Tax Levy Amounts   |   |                       |
| A. Primary Property Taxes  | \$ 4,195,460                            | \$ 4,392,959          |
| B. Secondary Property Taxes  | <u>4,879,862</u>                        | <u>5,222,056</u>      |
| C. Total Property Tax Levy Amount  | <u>\$ 9,075,322</u>                     | <u>\$ 9,615,015</u>   |
| 4. Property Taxes Collected (Estimated)  |   |                       |
| A. Primary Property Taxes:   |   |                       |
| (1) FY 2005-2006 Levy  | \$ 4,111,551                            |                       |
| (2) Prior Years' Levies  | <u>60,779</u>                           |                       |
| (3) Total Primary Property Taxes Collected   | <u>4,172,330</u>                        |                       |
| B. Secondary Property Taxes:   |   |                       |
| (1) FY 2005-2006 Levy  | 4,879,862                               |                       |
| (2) Prior Years' Levies  | <u>-0-</u>                              |                       |
| (3) Total Secondary Property Taxes Collected   | <u>4,879,862</u>                        |                       |
| C. Total Property Taxes Collected  | <u>\$ 9,052,192</u>                     |                       |
| 5. Property Tax Rates  |   |                       |
| A. City of Flagstaff Tax Rate:   |   |                       |
| (1) Primary Property Tax Rate  | 0.7861                                  | 0.7563                |
| (2) Secondary Property Tax Rate  | <u>0.8766</u>                           | <u>0.8366</u>         |
| (3) Total City Tax Rate  | <u>1.6627</u>                           | <u>1.5929</u>         |

B. Special Assessment District Tax Rates:

As of the date of the proposed budget, the city was operating one special assessment district for which secondary property taxes are levied. For information pertaining to this districts and its' tax rates, please contact the Finance Department at City Hall.

\* Includes actual property taxes collected as of the date the proposed budget was prepared plus estimated property tax collections for the remainder of the fiscal year.

Schedule 3: Revenues Other Than Property Taxes

CITY OF FLAGSTAFF  
SUMMARY BY FUND OF REVENUES OTHER THAN PROPERTY TAXES  
FISCAL YEARS 2006 AND 2007  
(WITH ACTUALS FOR FISCAL YEAR 2005)

| SOURCE OF REVENUES                    | ACTUAL<br>REVENUES<br>2004-2005 | BUDGETED<br>REVENUES<br>2005-2006 | ESTIMATED<br>ACTUAL<br>REVENUES<br>2005-2006 | BUDGETED<br>REVENUES<br>2006-2007 | CHANGE<br>(BUDG-BUDG) | %<br>CHANGE |
|---------------------------------------|---------------------------------|-----------------------------------|--|-----------------------------------|-----------------------|-------------|
| <b>GENERAL FUND</b>                   |                                 |                                   |  |                                   |                       |             |
| Local taxes                           |                                 |                                   |  |                                   |                       |             |
| City Sales Tax                        | \$ 12,976,931                   | 13,072,172                        | 14,115,905                                   | 15,333,155                        | 2,260,983             | 17.30%      |
| Franchise Tax                         | 1,925,231                       | 1,850,000                         | 1,850,000                                    | 1,961,250                         | 111,250               | 6.01%       |
| Licenses and permits                  |                                 |                                   |  |                                   |                       |             |
| Business Licenses                     | 30,335                          | 39,128                            | 39,128                                       | 41,084                            | 1,956                 | 5.00%       |
| Building Permits                      | 1,741,938                       | 1,854,886                         | 2,300,000                                    | 2,300,000                         | 445,114               | 24.00%      |
| Other Licenses and permits            | 291,445                         | 241,225                           | 488,560                                      | 246,699                           | 5,474                 | 2.27%       |
| Intergovernmental revenues            |                                 |                                   |  |                                   |                       |             |
| State Income Tax Sharing              | 4,918,476                       | 5,535,781                         | 5,535,781                                    | 6,771,938                         | 1,236,157             | 22.33%      |
| State Shared Sales Tax                | 4,900,116                       | 5,181,305                         | 5,681,000                                    | 5,965,050                         | 783,745               | 15.13%      |
| County Vehicle License Tax            | 2,461,425                       | 2,550,000                         | 2,550,000                                    | 2,601,000                         | 51,000                | 2.00%       |
| Federal Grants                        | 173,482                         | 1,298,218                         | 1,244,334                                    | 2,026,196                         | 727,978               | 56.08%      |
| State Grants                          | 1,110,117                       | 443,609                           | 407,406                                      | 723,337                           | 279,728               | 63.06%      |
| Local Intergovernmental Agreements    | 557,820                         | 570,575                           | 570,575                                      | 584,840                           | 14,265                | 2.50%       |
| Charges for services                  |                                 |                                   |  |                                   |                       |             |
| General Government                    | 339,182                         | 217,276                           | 353,276                                      | 728,440                           | 511,164               | 235.26%     |
| Parks & Recreation                    | 553,680                         | 505,651                           | 490,701                                      | 568,158                           | 62,507                | 12.36%      |
| Public Safety                         | 498,505                         | 667,187                           | 713,710                                      | 609,993                           | (57,194)              | -8.57%      |
| Cemetery                              | 127,060                         | 128,828                           | 128,828                                      | 135,269                           | 6,441                 | 5.00%       |
| Fines and forfeits                    | 1,069,562                       | 993,119                           | 998,519                                      | 1,009,701                         | 16,582                | 1.67%       |
| Interest on investments               | 597,205                         | 500,000                           | 693,000                                      | 511,798                           | 11,798                | 2.36%       |
| Miscellaneous revenues                | 1,258,255                       | 1,060,878                         | 1,161,290                                    | 1,632,131                         | 571,253               | 53.85%      |
| Total General Fund                    | 35,530,765                      | 36,709,838                        | 39,322,013                                   | 43,750,039                        | 7,040,201             | 19.18%      |
| <b>SPECIAL REVENUE FUNDS</b>          |                                 |                                   |  |                                   |                       |             |
| <b>LIBRARY FUND</b>                   |                                 |                                   |  |                                   |                       |             |
| Intergovernmental revenues            |                                 |                                   |  |                                   |                       |             |
| State Grants                          | 44,792                          | 25,000                            | 36,072                                       | -                                 | (25,000)              | -100.00%    |
| County Aid                            | 2,036,500                       | 2,993,396                         | 2,125,984                                    | 3,101,501                         | 108,105               | 3.61%       |
| Interest on investments               | 39,571                          | 21,000                            | 30,000                                       | 21,000                            | -                     | 0.00%       |
| Miscellaneous revenues                | 36,496                          | 354,000                           | 114,000                                      | 269,000                           | (85,000)              | -24.01%     |
| Total Library Fund                    | 2,157,359                       | 3,393,396                         | 2,306,056                                    | 3,391,501                         | (1,895)               | -0.06%      |
| <b>HIGHWAY USER REVENUE FUND</b>      |                                 |                                   |  |                                   |                       |             |
| Intergovernmental revenues            |                                 |                                   |  |                                   |                       |             |
| Federal Grants                        | 2,000,000                       | 1,336,240                         | 818,690                                      | 137,510                           | (1,198,730)           | -89.71%     |
| Highway User Tax                      | 7,171,383                       | 7,436,000                         | 7,436,000                                    | 7,659,080                         | 223,080               | 3.00%       |
| Local Transportation Assistance Funds | 313,843                         | 300,246                           | 300,246                                      | 300,246                           | -                     | 0.00%       |
| Interest on investments               | 165,963                         | 41,000                            | 206,000                                      | 194,000                           | 153,000               | 373.17%     |
| Miscellaneous revenues                | 659,099                         | 3,451,347                         | 150,000                                      | 3,820,000                         | 368,653               | 10.68%      |
| Total Highway User Revenue Fund       | 10,310,288                      | 12,564,833                        | 8,910,936                                    | 12,110,836                        | (453,997)             | -3.61%      |

Schedule 3: Revenues Other Than Property Taxes

| SOURCE OF REVENUES                     | ACTUAL<br>REVENUES<br>2004-2005 | BUDGETED<br>REVENUES<br>2005-2006 | ESTIMATED<br>ACTUAL<br>REVENUES<br>2005-2006 | BUDGETED<br>REVENUES<br>2006-2007 | CHANGE<br>(BUDG-BUDG) | %<br>CHANGE |
|--|---------------------------------|-----------------------------------|--|-----------------------------------|-----------------------|-------------|
| <b>TRANSPORTATION FUND</b>             |                                 |                                   |  |                                   |                       |             |
| Intergovernmental revenues             |                                 |                                   |  |                                   |                       |             |
| Federal Grants                         | -                               | -                                 | -  | -                                 | -                     | 0.00%       |
| Transportation Tax                     | \$ 7,898,607                    | 8,123,048                         | 8,251,863                                    | 8,746,589                         | 623,541               | 7.68%       |
| Interest on Investments                | 369,375                         | 231,000                           | 268,000                                      | 211,000                           | (20,000)              | -8.66%      |
| Miscellaneous revenues                 | 6,504                           | 6,000,000                         | 6,000,000                                    | -                                 | (6,000,000)           | -100.00%    |
| Total Transportation Fund              | 8,274,486                       | 14,354,048                        | 14,519,863                                   | 8,957,589                         | (5,396,459)           | -37.60%     |
| <b>BEAUTIFICATION FUND</b>             |                                 |                                   |  |                                   |                       |             |
| Intergovernmental revenues             |                                 |                                   |  |                                   |                       |             |
| State Grants                           | -                               | 2,423,512                         | 69,642                                       | 4,817,744                         | 2,394,232             | 98.79%      |
| BBB Tax                                | 857,996                         | 863,378                           | 895,747                                      | 931,577                           | 68,199                | 7.90%       |
| Interest on investments                | 36,565                          | 48,097                            | 48,097                                       | 49,300                            | 1,203                 | 2.50%       |
| Miscellaneous revenues                 | 13,100                          | 13,100                            | 13,100                                       | -                                 | (13,100)              | -100.00%    |
| Total Beautification Fund              | 907,661                         | 3,348,087                         | 1,026,586                                    | 5,798,621                         | 2,450,534             | 73.19%      |
| <b>ECONOMIC DEVELOPMENT FUND</b>       |                                 |                                   |  |                                   |                       |             |
| BBB Tax                                | 407,548                         | 410,105                           | 410,105                                      | 442,499                           | 32,394                | 7.90%       |
| Interest on investments                | 7,072                           | 3,915                             | 3,915  | 3,544                             | (371)                 | -9.48%      |
| Total Economic Development Fund        | 414,620                         | 414,020                           | 414,020                                      | 446,043                           | 32,023                | 7.73%       |
| <b>TOURISM FUND</b>                    |                                 |                                   |  |                                   |                       |             |
| Intergovernmental revenues             |                                 |                                   |  |                                   |                       |             |
| State Grants                           | -                               | -                                 | -  | 50,000                            | 50,000                | 0.00%       |
| BBB Tax                                | 1,286,995                       | 1,295,068                         | 1,343,620                                    | 1,397,365                         | 102,297               | 7.90%       |
| Retail Sales                           | 40,410                          | 40,000                            | 40,000                                       | 42,000                            | 2,000                 | 5.00%       |
| Interest on investments                | 14,711                          | 20,500                            | 20,500                                       | 21,013                            | 513                   | 2.50%       |
| Miscellaneous revenues                 | 35,384                          | 40,895                            | 25,000                                       | 25,000                            | (15,895)              | -38.87%     |
| Total Tourism Fund                     | 1,377,500                       | 1,396,463                         | 1,429,120                                    | 1,535,378                         | 138,915               | 9.95%       |
| <b>ARTS AND SCIENCE FUND</b>           |                                 |                                   |  |                                   |                       |             |
| BBB Tax                                | 321,749                         | 323,767                           | 335,905                                      | 349,341                           | 25,574                | 7.90%       |
| Interest on investments                | 4,968                           | 11,948                            | 6,700  | 6,857                             | (5,091)               | -42.61%     |
| Total Arts and Science Fund            | 326,717                         | 335,715                           | 342,605                                      | 356,198                           | 20,483                | 6.10%       |
| <b>RECREATION-BBB FUND</b>             |                                 |                                   |  |                                   |                       |             |
| Intergovernmental revenues             |                                 |                                   |  |                                   |                       |             |
| State Grants                           | 5,040                           | 550,000                           | 843,641                                      | -                                 | (550,000)             | -100.00%    |
| BBB Tax                                | 1,442,775                       | 1,424,574                         | 1,477,982                                    | 1,537,101                         | 112,527               | 7.90%       |
| Interest on investments                | 61,927                          | 55,900                            | 52,400                                       | 39,400                            | (16,500)              | -29.52%     |
| Miscellaneous revenues                 | 15,073                          | -                                 | -  | 1,200,000                         | 1,200,000             | 0.00%       |
| Total Recreation-BBB Fund              | 1,524,815                       | 2,030,474                         | 2,374,023                                    | 2,776,501                         | 746,027               | 36.74%      |
| <b>REAL ESTATE PROCEED FUND</b>        |                                 |                                   |  |                                   |                       |             |
| Real Estate Revenues                   | 1,669,521                       | -                                 | -  | 1,200,000                         | 1,200,000             | 0.00%       |
| Interest on investments                | 155,008                         | 47,350                            | 47,350                                       | 47,350                            | -                     | 0.00%       |
| Miscellaneous revenues                 | 2,533                           | -                                 | -  | -                                 | -                     | 0.00%       |
| Total Real Estate Proceeds Fund        | 1,827,062                       | 47,350                            | 47,350                                       | 1,247,350                         | 1,200,000             | 2534.32%    |
| <b>HOUSING AND COMMUNITY SVCS FUND</b> |                                 |                                   |  |                                   |                       |             |
| Intergovernmental revenues             |                                 |                                   |  |                                   |                       |             |
| Federal Grants                         | 664,208                         | 1,584,768                         | 947,741                                      | 1,852,729                         | 267,961               | 16.91%      |
| State Grants                           | -                               | 728,880                           | -  | -                                 | (728,880)             | -100.00%    |
| Interest on investments                | 44,551                          | -                                 | 60,228                                       | -                                 | -                     | 0.00%       |
| Miscellaneous revenues                 | 677,266                         | -                                 | 208,302                                      | -                                 | -                     | 0.00%       |
| Total Community Redevelopment Fund     | 1,386,025                       | 2,313,648                         | 1,216,271                                    | 1,852,729                         | (460,919)             | -19.92%     |

Schedule 3: Revenues Other Than Property Taxes

| SOURCE OF REVENUES                      | ACTUAL<br>REVENUES<br>2004-2005 | BUDGETED<br>REVENUES<br>2005-2006 | ESTIMATED<br>ACTUAL<br>REVENUES<br>2005-2006 | BUDGETED<br>REVENUES<br>2006-2007 | CHANGE<br>(BUDG-BUDG) | %<br>CHANGE    |
|---|---------------------------------|-----------------------------------|--|-----------------------------------|-----------------------|----------------|
| <b>METRO PLANNING ORGANIZATION FUND</b> |                                 |                                   |  |                                   |                       |                |
| Intergovernmental revenues              |                                 |                                   |  |                                   |                       |                |
| Federal Grants                          | \$ 314,739                      | 609,666                           | 352,878                                      | 746,417                           | 136,751               | 22.43%         |
| Miscellaneous revenues                  | 32,500                          | 25,000                            | -  | 245,000                           | 220,000               | 880.00%        |
| Total Metro Planning Organization Fund  | 347,239                         | 634,666                           | 352,878                                      | 991,417                           | 356,751               | 56.21%         |
| <b>TOTAL SPECIAL REVENUE FUNDS</b>      | <b>28,853,772</b>               | <b>40,832,700</b>                 | <b>32,939,708</b>                            | <b>39,464,163</b>                 | <b>(1,368,537)</b>    | <b>-3.35%</b>  |
| <b>DEBT SERVICE FUNDS</b>               |                                 |                                   |  |                                   |                       |                |
| <b>GENERAL OBLIGATION BONDS FUND</b>    |                                 |                                   |  |                                   |                       |                |
| Interest on investments                 | -                               | 300                               | 400  | 300                               | -                     | 0.00%          |
| Total G. O. Bond Fund                   | -                               | 300                               | 400  | 300                               | -                     | 0.00%          |
| <b>SECONDARY PROPERTY TAX FUND</b>      |                                 |                                   |  |                                   |                       |                |
| Interest on investments                 | 23,189                          | 38,800                            | 72,000                                       | 39,300                            | 500                   | 1.29%          |
| Total Secondary Property Tax Fund       | 23,189                          | 38,800                            | 72,000                                       | 39,300                            | 500                   | 1.29%          |
| <b>SPECIAL ASSESSMENT BONDS</b>         |                                 |                                   |  |                                   |                       |                |
| Interest on investments                 | 28,034                          | 18,880                            | 15,908                                       | 13,126                            | (5,754)               | -30.48%        |
| Miscellaneous revenues                  | 219,297                         | 29,118                            | 15,843                                       | 16,055                            | (13,063)              | -44.86%        |
| Total Special Assessment Bonds          | 247,331                         | 47,998                            | 31,751                                       | 29,181                            | (18,817)              | -39.20%        |
| <b>TOTAL DEBT SERVICE FUNDS</b>         | <b>270,520</b>                  | <b>87,098</b>                     | <b>104,151</b>                               | <b>68,781</b>                     | <b>(18,317)</b>       | <b>-21.03%</b> |
| <b>CAPITAL PROJECTS FUNDS</b>           |                                 |                                   |  |                                   |                       |                |
| <b>CAPITAL PROJECTS BOND FUND</b>       |                                 |                                   |  |                                   |                       |                |
| Miscellaneous                           | -                               | -                                 | -  | 700,396                           | 700,396               | 0.00%          |
| Total Capital Projects Bond Fund        | -                               | -                                 | -  | 700,396                           | 700,396               | 0.00%          |
| <b>TOTAL CAPITAL PROJECTS FUNDS</b>     | <b>-</b>                        | <b>-</b>                          | <b>-</b>                                     | <b>700,396</b>                    | <b>700,396</b>        | <b>0.00%</b>   |
| <b>PERMANENT FUNDS</b>                  |                                 |                                   |  |                                   |                       |                |
| <b>PERPETUAL CARE FUND</b>              |                                 |                                   |  |                                   |                       |                |
| Contributions                           | 17,787                          | 15,881                            | 28,000                                       | 28,560                            | 12,679                | 79.84%         |
| Interest on investments                 | 836                             | 682                               | 1,400  | 1,428                             | 746                   | 109.38%        |
| Total Perpetual Care Fund               | 18,623                          | 16,563                            | 29,400                                       | 29,988                            | 13,425                | 81.05%         |
| <b>TOTAL PERMANENT FUNDS</b>            | <b>18,623</b>                   | <b>16,563</b>                     | <b>29,400</b>                                | <b>29,988</b>                     | <b>13,425</b>         | <b>81.05%</b>  |
| <b>ENTERPRISE FUNDS</b>                 |                                 |                                   |  |                                   |                       |                |
| <b>WATER AND WASTEWATER FUND</b>        |                                 |                                   |  |                                   |                       |                |
| <b>OPERATING FUND</b>                   |                                 |                                   |  |                                   |                       |                |
| Intergovernmental revenues              |                                 |                                   |  |                                   |                       |                |
| State Grants                            | 43,053                          | 19,200                            | 19,200                                       | -                                 | (19,200)              | -100.00%       |
| Federal Grants                          | -                               | -                                 | 34,500                                       | 57,765                            | 57,765                |                |
| Water Revenues                          | 10,435,046                      | 11,150,500                        | 11,167,404                                   | 11,598,026                        | 447,526               | 4.01%          |
| Sewer Revenues                          | 7,239,183                       | 7,853,000                         | 7,813,778                                    | 7,973,600                         | 120,600               | 1.54%          |
| Interest on Investments                 | 623,803                         | 528,000                           | 629,338                                      | 254,000                           | (274,000)             | -51.89%        |
| Miscellaneous revenues                  | 53,210                          | -                                 | -  | -                                 | -                     | 0.00%          |
| Total Water and Wastewater Fund         | 18,394,295                      | 19,550,700                        | 19,664,220                                   | 19,883,391                        | 332,691               | 1.70%          |

Schedule 3: Revenues Other Than Property Taxes

| SOURCE OF REVENUES                      | ACTUAL<br>REVENUES<br>2004-2005 | BUDGETED<br>REVENUES<br>2005-2006 | ESTIMATED<br>ACTUAL<br>REVENUES<br>2005-2006 | BUDGETED<br>REVENUES<br>2006-2007 | CHANGE<br>(BUDG-BUDG) | %<br>CHANGE |
|---|---------------------------------|-----------------------------------|--|-----------------------------------|-----------------------|-------------|
| <b>AIRPORT FUND</b>                     |                                 |                                   |  |                                   |                       |             |
| <b>OPERATING FUND</b>                   |                                 |                                   |  |                                   |                       |             |
| Intergovernmental revenues              |                                 |                                   |  |                                   |                       |             |
| Federal Grants                          | \$ 2,510,372                    | 6,074,916                         | 810,946                                      | 8,463,426                         | 2,388,510             | 39.32%      |
| State Grants                            | 742,690                         | 2,216,627                         | 42,687                                       | 222,994                           | (1,993,633)           | -89.94%     |
| Airport Revenues                        | 1,019,147                       | 1,213,404                         | 1,188,512                                    | 1,264,725                         | 51,321                | 4.23%       |
| Interest on investments                 | 7,725                           | -                                 | 8,000  | -                                 | -                     | 0.00%       |
| Miscellaneous revenues                  | 174,265                         | 257,337                           | 167,448                                      | 334,877                           | 77,540                | 30.13%      |
| <b>AIRPARK FUND</b>                     |                                 |                                   |  |                                   |                       |             |
| Interest on investments                 | 13,480                          | 11,500                            | 14,000                                       | 11,100                            | (400)                 | -3.48%      |
| Miscellaneous revenues                  | 494,988                         | -                                 | -  | -                                 | -                     | 0.00%       |
| Total Airport Fund                      | 4,962,667                       | 9,773,784                         | 2,231,593                                    | 10,297,122                        | 523,338               | 5.35%       |
| <b>ENVIRONMENTAL SERVICES FUND</b>      |                                 |                                   |  |                                   |                       |             |
| Intergovernmental revenues              |                                 |                                   |  |                                   |                       |             |
| State Grants                            | 123,339                         | 75,000                            | -  | 200,000                           | 125,000               | 166.67%     |
| Environmental Services Revenues         | 8,833,909                       | 8,760,817                         | 9,477,715                                    | 9,617,577                         | 856,760               | 9.78%       |
| Interest on investments                 | 234,017                         | 82,000                            | 117,808                                      | 120,753                           | 38,753                | 47.26%      |
| Miscellaneous revenues                  | 84,207                          | -                                 | 9,812  | -                                 | -                     | 0.00%       |
| Total Environmental Services Fund       | 9,275,472                       | 8,917,817                         | 9,605,335                                    | 9,938,330                         | 1,020,513             | 11.44%      |
| <b>STORMWATER UTILITY</b>               |                                 |                                   |  |                                   |                       |             |
| Intergovernmental revenues              |                                 |                                   |  |                                   |                       |             |
| State Grants                            | 1,394                           | -                                 | -  | -                                 | -                     | 0.00%       |
| Stormwater Utility Revenues             | 535,819                         | 949,836                           | 550,178                                      | 999,374                           | 49,538                | 5.22%       |
| Charges for Services                    | 128,012                         | 65,320                            | 65,160                                       | 66,790                            | 1,470                 | 2.25%       |
| Interest on investments                 | 37,075                          | 3,254                             | 11,913                                       | 22,827                            | 19,573                | 601.51%     |
| Miscellaneous revenues                  | 352                             | -                                 | -  | -                                 | -                     | 0.00%       |
| Total Stormwater Utility Fund           | 702,652                         | 1,018,410                         | 627,251                                      | 1,088,991                         | 70,581                | 6.93%       |
| TOTAL ENTERPRISE FUNDS                  | 33,335,086                      | 39,260,711                        | 32,128,399                                   | 41,207,834                        | 1,947,123             | 4.96%       |
| <b>FIDUCIARY FUNDS</b>                  |                                 |                                   |  |                                   |                       |             |
| <b>VOLUNTEER FIREMEN'S PENSION FUND</b> |                                 |                                   |  |                                   |                       |             |
| Interest on investments                 | 5,296                           | 4,300                             | 6,000  | 5,400                             | 1,100                 | 25.58%      |
| Miscellaneous revenues                  | 296                             | -                                 | -  | -                                 | -                     | 0.00%       |
| Total Volunteer Firemen's Pension Fund  | 5,592                           | 4,300                             | 6,000  | 5,400                             | 1,100                 | 25.58%      |
| TOTAL FIDUCIARY FUNDS                   | 5,592                           | 4,300                             | 6,000  | 5,400                             | 1,100                 | 25.58%      |
| TOTAL REVENUES                          | \$ 98,014,358                   | 116,911,210                       | 104,529,671                                  | 125,226,601                       | 8,315,391             | 7.11%       |

Schedule 4: Transfers and Proceeds from Other Sources

CITY OF FLAGSTAFF  
SUMMARY BY FUNDING OF OTHER FINANCING SOURCES  
AND INTERFUND TRANSFERS  
FISCAL YEAR 2006-2007

| FUND                          | PROCEEDS FROM<br>OTHER<br>FINANCING<br>SOURCES | INTERFUND TRANSFERS<br>IN | INTERFUND TRANSFERS<br>OUT |
|-------------------------------|--|---------------------------|----------------------------|
| GENERAL FUND                  | \$ -   | 5,293,765                 | 12,964,340                 |
| <b>SPECIAL REVENUE FUNDS</b>  |  |                           |                            |
| Library Fund                  | -  | 1,445,706                 | 328,391                    |
| Highway User Revenue Fund     | -  | 9,200,020                 | 85,401                     |
| Transportation Fund           | -  | -                         | 8,034,297                  |
| Beautification Fund           | -  | 1,526,000                 | 175,201                    |
| Economic Development          | -  | 131,000                   | -                          |
| Tourism Fund                  | -  | -                         | 9,437                      |
| Arts and Science Fund         | -  | 35,000                    | -                          |
| Recreation-BBB Fund           | -  | 1,817,936                 | 1,685,639                  |
| Real Estate Proceeds Fund     | -  | -                         | 2,881,000                  |
| Housing & Community Services  | -  | 341,953                   | -                          |
| MPO                           | -  | 25,000                    | -                          |
| Total Special Revenue Funds   | <u>-</u>                                       | <u>14,522,615</u>         | <u>13,199,366</u>          |
| <b>DEBT SERVICE FUNDS</b>     |  |                           |                            |
| G.O. Bond Fund                | -  | 3,111,708                 | -                          |
| Secondary Property Tax Fund   | -  | -                         | 5,366,920                  |
| Total Debt Service Funds      | <u>-</u>                                       | <u>3,111,708</u>          | <u>5,366,920</u>           |
| <b>CAPITAL PROJECTS FUNDS</b> |  |                           |                            |
| Capital Projects Bond Fund    | 4,365,599                                      | 1,100,000                 | -                          |
| Total Capital Projects Funds  | <u>4,365,599</u>                               | <u>1,100,000</u>          | <u>-</u>                   |
| <b>ENTERPRISE FUNDS</b>       |  |                           |                            |
| Water and Wastewater Fund     | 46,600,000                                     | 2,411,086                 | 2,568,880                  |
| Stormwater Utility            | -  | 7,042,458                 | 135,000                    |
| Airport Fund                  | -  | 1,434,024                 | 33,567                     |
| Airpark Fund                  | -  | -                         | 660,595                    |
| Environmental Services Fund   | -  | 32,500                    | 19,488                     |
| Total Enterprise Funds        | <u>46,600,000</u>                              | <u>10,920,068</u>         | <u>3,417,530</u>           |
| <b>TOTAL ALL FUNDS</b>        | <u>\$ 50,965,599</u>                           | <u>34,948,156</u>         | <u>34,948,156</u>          |

## SCHEDULE OF TRANSFERS FISCAL YEAR 2006-2007

### General Fund

#### **Transfers In:**

##### Library - \$328,391

This transfer represents \$250,000 for a contribution to a parking solution on the Municipal Campus and \$78,391 for the APSES lease payment.

##### Highway User Revenue Fund - \$85,401

This transfer is \$70,000 for right-of-way maintenance completed by Parks staff and \$15,401 for the APSES lease payment.

##### Beautification Fund - \$175,201

This represents \$170,000 for streetscape maintenance on projects previously constructed by BBB funds that are now maintained by the Parks division and \$5,201 for the citywide publication.

##### Tourism Fund - \$9,437

This transfer includes \$6,238 as a contribution towards the citywide publication, and \$3,199 for the APSES lease payment.

##### Recreation-BBB Fund - \$947,400

This transfer entails three separate actions 1) a contribution to the maintenance of FUTS which is a Parks responsibility \$135,400; 2) \$794,598 for increased maintenance in the Parks budget related to additional field maintenance associated with Recreation Bond projects; 3) \$17,402 for Skate park liability.

##### Real Estate Proceeds - \$1,126,000

This transfer is for City redevelopment efforts.

##### Water and Wastewater Fund - \$2,568,880

This is a transfer of \$2,411,086 utility revenue through the General Fund to Highway User Revenue Fund for a payment of debt and \$157,794 for the APSES lease payment.

##### Airport - \$33,567

This is a transfer for the APSES lease payment.

##### Environmental Services Fund - \$19,488

This transfer represents \$4,678 for advertising in the citywide publication and \$14,810 for the APSES lease payment.

#### **Transfers Out:**

##### Library Fund - \$1,445,706

This is the operating transfer from the General Fund to the Library for general services.

##### Highway User Revenue Fund - \$2,680,723

This is \$2,410,723 for debt service, and \$270,000 for cost allocation offset.

##### Economic Development - \$131,000

This represents a transfer to assist in the payment of Incubator.

##### Arts and Science Fund - \$35,000

This transfer is for \$25,000 to support Contributions to Agencies, and \$10,000 represents a contribution for Art in Public Places.

##### Recreation-BBB Fund - \$650,000

This transfer assists in the Thorpe Park renovations.

##### Housing and Community Services Fund - \$341,953

This transfer represents a \$150,000 funding for a revolving loan source, \$175,400 funding for land acquisition related to affordable housing development, \$3,000 for affordable housing fees, and \$13,553 for code enforcement.

##### MPO - \$25,000

This transfer is to assist in the payment of the multi model planner position.

##### Stormwater Fund - \$7,042,458

Transfer funds for Rio de Flag project.

##### Airport Fund - \$580,000

This transfer is for the general operations in the amount of \$357,000 and \$223,000 for capital at the Airport. The Airport is an enterprise fund whose goal is to eventually eliminate any requirement for general fund transfers.

##### Environmental Services - \$32,500

This transfer is to pad for the Sustainability position.

### Library Fund

#### **Transfers In:**

##### General Fund - \$1,445,706

This is the operating transfer from the General Fund to the Library for general services.

#### **Transfers Out:**

##### General Fund - \$328,391

This transfer is \$250,000 for a contribution to a parking solution in the Municipal Campus and \$78,391 for the APSES lease payment.

## **Highway User Revenue Fund**

### **Transfers In:**

#### General Fund - \$2,680,723

This is \$2,410,723 from the General Fund to Highway User Revenue Fund for payment of debt, and \$270,000 for cost allocation offset.

#### Transportation Fund - \$6,384,297

This is a transfer of the transportation tax to fund various transportation projects. Safety funding is \$916,552 from Safe to School monies is for miscellaneous projects. \$5,267,745 is from Street Improvement for Transportation funded projects and \$200,000 in Street Improvement for Street Maintenance.

#### Stormwater Fund - \$135,000

This transfer is for drainage maintenance.

### **Transfers Out:**

#### General Fund - \$85,401

This transfer is \$70,000 for right-of-way maintenance completed by Parks staff and \$15,401 for APSES repayment.

## **Transportation Fund**

### **Transfers Out:**

#### HURF - \$6,384,297

This is a transfer of the transportation tax to fund various transportation projects. Safety funding is \$916,552 from Safe to School monies is for miscellaneous projects. \$5,267,745 is from Street Improvement for Transportation funded projects and \$200,000 in Street Improvement for Street Maintenance.

#### Beautification Fund - \$1,416,000

This transfer funds various FUTS and Streetscape projects of \$1,100,000 within the multi-modal transportation projects. The Streetscape projects include: Route. 66 Country Club to Mall and US 89 Railhead to Snowflake. The FUTS projects include: Fort Valley Trail, Special Projects, Santa Fe West, McMillan Mesa, and Route 66 Rio North Trail. Also, includes a transfer of \$316,000 for portion of the East Flagstaff TI.

#### BBB Recreation - \$234,000

This transfer funds assist with the Thorpe Park project.

## **Beautification Fund**

### **Transfers In:**

#### Transportation Tax - \$1,416,000

This transfer funds various FUTS and Streetscape projects of \$1,100,000 within the multi-modal transportation projects. The Streetscape projects include: Route. 66 Country Club to Mall and US 89 Railhead to Snowflake. The FUTS projects include: Fort Valley Trail, Special Projects, Santa Fe West, McMillan Mesa, and Route 66 Rio North Trail. Also, includes a transfer of \$316,000 for portion of the East Flagstaff TI.

#### Recreation-BBB Fund - \$110,000

This transfer is for new FUTS construction -\$110,000.

### **Transfers Out:**

#### General Fund - \$175,201

This represents \$170,000 for streetscape maintenance on projects previously constructed by BBB funds that are now maintained by the Parks division and \$5,201 in support of the citywide publication.

## **Economic Development Fund**

### **Transfers In:**

#### General Fund - \$131,000

This represents a transfer to assist in the payment of the Incubator plan.

## **Tourism Fund**

### **Transfers Out:**

#### General Fund - \$9,437

This transfer includes \$6,238 as a contribution towards the citywide publication and \$3,199 for the APSES lease payment.

## **Arts & Science Fund**

### **Transfers In:**

#### General Fund - \$35,000

This transfer is for \$25,000 to support Contributions to Agencies, and \$10,000 represents a contribution for Art in Public Places.

## **Recreation-BBB Fund**

### **Transfers In:**

#### General Fund - \$650,000

Contribution to help fund Thorpe Park.

#### Transportation Fund - \$234,000

This transfer is to assist on the Thorpe Park project.

Real Estate Proceeds Fund - \$655,000

Sale of real estate to help fund Thorpe Park.

Secondary Property Tax Fund - \$278,936

This transfer is to assist in the repayment of G.O. Bonds due to a shortfall in estimated BBB Tax revenues.

**Transfers Out:**

General Fund - \$947,400

This transfer entails three separate actions 1) a contribution to the maintenance of FUTS which is a Parks responsibility \$135,400; 2) \$794,598 for increased maintenance in the Parks budget related to additional field maintenance associated with Recreation Bond projects; 3) \$17,402 for skate park liability.

Beautification Fund - \$110,000

This transfer is for a new FUTS construction - \$110,000.

G.O. Bond Fund - \$628,239

To pay the debt service on the Parks and Recreation Bonds.

**Real Estate Proceeds**

**Transfers Out:**

General Fund - \$1,126,000

This transfer is for City redevelopment efforts.

BBB Recreation - \$655,000

This transfer is to assist with the Thorpe Park project.

Capital Projects Fund - \$1,100,000

This transfer is to assist with the Adult Center renovation.

**Housing and Community Services Fund**

**Transfers In:**

General Fund - \$341,953

This transfer represents a \$150,000 funding for a revolving loan source, \$175,400 funding for land acquisition related to affordable housing development, \$3,000 for affordable housing fees, and \$13,553 for code enforcement.

**Metro Planning Organization Fund**

**Transfers In:**

General Fund - \$25,000

This transfer is to assist in the payment of the multi modal planner.

**G.O. Bond Fund**

**Transfers In:**

Recreation-BBB Fund - \$628,239

To pay the debt service on the Parks and Recreation Bonds.

Secondary Property Tax Fund - \$2,483,469

A transfer of Secondary Property Taxes collected for repayment of Library and Public Safety bonds.

**Secondary Property Tax Fund**

**Transfers Out:**

Recreation-BBB Fund - \$278,936

This transfer is to assist in the repayment of G.O. Bonds due to a shortfall in estimated BBB Tax revenues.

G.O. Bond Fund - \$2,483,469

There is a transfer of Secondary Property Taxes collected for repayment of Library and Public Safety bonds.

Water and Wastewater Fund - \$2,411,086

A transfer to Utilities for Secondary Property Taxes collected to support General Obligation Debt.

Airport Fund - \$193,429

There is a transfer for Secondary Property Taxes collected for repayment of a portion of the Airport debt service; the remainder is funded with Passenger Facility Charges.

**Capital Projects Fund**

**Transfers In:**

Capital Projects Fund - \$1,100,000

This transfer is to assist with the Adult Center renovation.

**Water and Wastewater Fund**

**Transfers In:**

Secondary Property Tax Fund - \$2,411,086

A transfer to Utilities for Secondary Property Taxes collected to support the General Obligation Debt.

**Transfers Out:**

General Fund - \$2,568,880

This is a transfer of \$2,411,086 utility revenue to the General Fund; these funds are subsequently transferred

to Highway User Tax Fund for a payment of debt and \$157,794 for the APSES lease payment.

### **Stormwater Fund**

#### **Transfers In:**

General Fund - \$7,042,458

This transfer funds for the Rio de Flag Project.

#### **Transfers Out:**

HURF - \$135,000

This transfer is for drainage maintenance.

### **Airport Fund**

#### **Transfers In:**

General Fund - \$580,000

This transfer is for the general operations in the amount of \$357,000 and \$223,000 for capital at the Airport. The Airport is an enterprise fund whose goal is to eventually eliminate any requirement for general fund transfers.

Secondary Property Tax Fund - \$193,429

There is a transfer for Secondary Property Taxes collected for repayment of a portion of the Airport debt service; the remainder is funded with Passenger Facility Charges.

Airpark Fund - \$660,595

This transfer of funds is for a match on the ADOT grant for land acquisition and city contribution toward pavement maintenance.

#### **Transfers Out:**

General Fund - \$33,567

This is a transfer for the APSES lease payment.

### **Airpark Fund**

#### **Transfers Out:**

Airport Fund - \$660,595

This transfer of funds is for a match on the ADOT grant for land acquisition and a City contribution toward pavement maintenance.

### **Environmental Services Fund**

#### **Transfers In:**

General Fund - \$32,500

This transfer funds the Sustainability position.

#### **Transfers Out:**

General Fund - \$19,488

This transfer represents \$4,678 for advertising in the citywide publication and \$14,810 for debt servicing related to APSES lease payment.

Schedule 5: Grant Revenues

CITY OF FLAGSTAFF  
 SCHEDULE OF GRANT REVENUES  
 FISCAL YEAR 2006-2007

| PROJECT NAME                 |   | BUDGETED<br>REVENUES<br>2005-2006 | ESTIMATED<br>REVENUES<br>2005-2006 | BUDGETED<br>REVENUES<br>2006-2007 | CITY MATCH<br>2006-2007 | BUDGETED<br>GRANT<br>REIMB % | FUNDING |
|------------------------------|---|-----------------------------------|------------------------------------|-----------------------------------|-------------------------|------------------------------|---------|
| <b>GENERAL FUND</b>          |   |                                   |                                    |                                   |                         |                              |         |
| POLICE                       | METRO (NORTHERN AZ STREET CRIMES TASK FORCE)      | \$ 378,932                        | \$ 378,932                         | \$ 283,627                        | \$ -                    | 100%                         | F/S     |
| POLICE                       | WEED AND SEED                                     | 50,000                            | 50,000                             | 6,000                             | -                       | 100%                         | F/NP    |
| POLICE                       | GANG RESISTANCE EDUCATION TRAINING (GREAT)        | 45,353                            | 45,353                             | -                                 | -                       | 100%                         | F       |
| POLICE                       | LOCAL LAW ENFORCEMENT BLOCK GRANT (LLEBG)         | 45,000                            | 45,000                             | -                                 | -                       | 90%                          | F       |
| POLICE                       | COMMUNITY ORIENTED POLICING                       | 131,086                           | 131,086                            | -                                 | -                       | 100%                         | F       |
| POLICE                       | COPS UNIVERSAL HIRING                             | 150,000                           | 150,000                            | -                                 | -                       | 75%                          | F       |
| POLICE                       | GOVERNOR'S OFFICE OF HWY SAFETY 2005              | 42,410                            | 42,410                             | -                                 | -                       | 100%                         | F/S     |
| POLICE                       | GOVERNOR'S OFFICE OF HWY SAFETY 2006              | 57,856                            | 57,856                             | 57,490                            | -                       | 100%                         | F/S     |
| POLICE                       | DUI ENFORCEMENT 2004                              | 20,000                            | 20,000                             | -                                 | -                       | 100%                         | S       |
| POLICE                       | BULLET PROOF VEST PROGRAM                         | 14,525                            | 14,525                             | 8,292                             | 8,292                   | 50%                          | F       |
| POLICE                       | FORENSIC SCIENCES                                 | 7,500                             | 7,500                              | -                                 | -                       | 100%                         | F       |
| POLICE                       | HOMELAND SECURITY BOMB ROBOT                      | 164,428                           | 164,428                            | -                                 | -                       | 100%                         | F/S     |
| POLICE                       | HOMELAND SECURITY                                 | 100,000                           | 100,000                            | -                                 | -                       | 100%                         | F/S     |
| POLICE                       | FIRE PRVENTION - ATV'S                            | 17,546                            | 17,546                             | -                                 | -                       | 100%                         | S       |
| POLICE                       | BURGLARY & ST CRIME REDUCTION                     | -                                 | -                                  | 6,804                             | -                       | 100%                         | S       |
| POLICE                       | DIRECTED PATROL GANG                              | -                                 | -                                  | 10,000                            | -                       | 100%                         | S       |
| POLICE                       | STATEWIDE GANG TASK                               | -                                 | -                                  | 7,570                             | 2,532                   | 75%                          | S       |
| POLICE                       | CJEF DIGITAL EQUIPMENT                            | -                                 | -                                  | 50,000                            | -                       | 100%                         | S       |
| POLICE                       | 2006 ACJC DUI                                     | -                                 | -                                  | 30,000                            | -                       | 100%                         | S       |
| POLICE                       | GRANT FUNDED ATV'S                                | -                                 | -                                  | 14,000                            | -                       | 100%                         | S       |
| POLICE                       | 2006 DPS ICAC                                     | -                                 | -                                  | 11,639                            | -                       | 100%                         | S       |
| POLICE                       | PSN GUN & INTELLIGENT SUPP                        | -                                 | -                                  | 34,000                            | -                       | 100%                         | F/S     |
| POLICE                       | PSN JUVENILE ED                                   | -                                 | -                                  | 19,106                            | -                       | 100%                         | F/S     |
| POLICE                       | 2005 HGS - BOMB VEHICLE                           | -                                 | -                                  | 75,806                            | -                       | 100%                         | F       |
| POLICE                       | 2006 DHS HOME LAND SECURITY                       | -                                 | -                                  | 425,000                           | -                       | 100%                         | F       |
| POLICE                       | 2006 GREAT GRANT                                  | -                                 | -                                  | 46,717                            | -                       | 100%                         | F       |
| POLICE                       | 2006 JAG PATROL OVERTIME                          | -                                 | -                                  | 20,000                            | 2,222                   | 90%                          | F       |
| POLICE                       | 2005 WEED & SEED                                  | -                                 | -                                  | 30,000                            | -                       | 100%                         | F       |
| POLICE                       | 2006 PSN JUVENILE EDUCATION                       | -                                 | -                                  | 17,500                            | -                       | 100%                         | F/S     |
| POLICE                       | 2006 PSN GUN INTELLIGENCE                         | -                                 | -                                  | 25,000                            | -                       | 100%                         | F/S     |
| POLICE                       | E-CITATION (in 6601-3008)                         | 118,000                           | -                                  | 118,000                           | -                       | 100%                         | S       |
| FIRE                         | HAZARD FUEL REDUCTION FY 03                       | 46,384                            | 46,384                             | -                                 | -                       | 50%                          | F       |
| FIRE                         | HOMELAND SECURITY EQUIPMENT                       | 54,744                            | 54,744                             | -                                 | -                       | 50%                          | F       |
| FIRE                         | FIRE IMPROVEMENT PREVENTION                       | 10,000                            | 10,000                             | -                                 | -                       | 50%                          | F       |
| FIRE                         | HAZARD FUEL REDUCTION FY 04                       | -                                 | -                                  | 71,313                            | 71,313                  | 50%                          | S       |
| FIRE                         | HOMEOWNER & COMMUNITY ACTION                      | -                                 | -                                  | 50,000                            | 50,000                  | 50%                          | S       |
| FIRE                         | HAZARD FUEL REDUCTION FY04                        | -                                 | -                                  | 100,750                           | 100,750                 | 50%                          | S       |
| FIRE                         | FIRE - HEAVY RESCUE UNIT                          | -                                 | -                                  | 936,718                           | -                       | 100%                         | F       |
| FIRE                         | DHS FIRE PREV & SAFETY                            | -                                 | -                                  | 35,640                            | -                       | 100%                         | F       |
| FIRE                         | GOHS RESCUE EQUIPMENT                             | -                                 | -                                  | 5,300                             | -                       | 100%                         | S       |
| COURT                        | COURT IMPROVEMENT FEES                            | 48,219                            | 78,930                             | 40,000                            | -                       | 100%                         | L       |
| COURT                        | COURT WARRANT FEES                                | 60,240                            | 60,240                             | 58,560                            | -                       | 100%                         | L       |
| COURT                        | COURT INTERPRETER                                 | 20,270                            | 26,000                             | 26,780                            | -                       | 100%                         | L       |
| COURT                        | TCPF - MODIFY AZTEC                               | 25,000                            | 50,000                             | -                                 | -                       | 100%                         | S       |
| COURT                        | TCPF/STATE JCEF FY 01/02 - COURT TRAINING OFFICER | 24,028                            | 25,000                             | 25,000                            | -                       | 100%                         | S       |
| COURT                        | TCPF/LOCAL JCEF FY 01/02 - COURT TRAINING OFFICER | 11,228                            | 9,378                              | 9,612                             | -                       | 100%                         | L       |
| COURT                        | LOCAL JCEF - COMPUTERS                            | 25,000                            | -                                  | 25,000                            | -                       | 100%                         | L       |
| COURT                        | LOCAL JCEF - TRAINING COUNTY                      | 22,198                            | 22,428                             | 22,989                            | -                       | 100%                         | L       |
| COURT                        | COUNTY JCEF - INFORMATION SYSTEM TECH             | 25,940                            | 22,000                             | 22,660                            | -                       | 100%                         | L       |
| COURT                        | LOCAL TIME PMT. - INFORMATION SYSTEM TECH.        | 25,940                            | 22,000                             | 22,660                            | -                       | 100%                         | L       |
| <b>SUBTOTAL-GENERAL FUND</b> |   | <b>1,741,827</b>                  | <b>1,651,740</b>                   | <b>2,749,533</b>                  | <b>235,109</b>          |                              |         |
| LIBRARY                      | STATE GRANT-IN-AID 2005                           | 25,000                            | 36,072                             | -                                 | -                       | 100%                         | S       |
| <b>SUBTOTAL</b>              |   | <b>25,000</b>                     | <b>36,072</b>                      | <b>-</b>                          | <b>-</b>                |                              |         |

Schedule 5: Grant Revenues

| PROJECT NAME |   | BUDGETED REVENUES 2005-2006 | ESTIMATED REVENUES 2005-2006 | BUDGETED REVENUES 2006-2007 | CITY MATCH 2006-2007 | BUDGETED GRANT REIMB % | FUNDING |
|--------------|---|-----------------------------|------------------------------|-----------------------------|----------------------|------------------------|---------|
| HURF         | FEDERAL HIGHWAY ADMIN. (BUS PULLOUTS/EMPIRE REPAY)              | 1,045,240                   | 288,690                      | -                           | -                    | 100%                   | F/S     |
| HURF         | FLAGSTAFF MALL, DODGE AVE EXT. (ECONONMIC STRENGTHS)            | 250,000                     | 250,000                      | -                           | -                    | 100%                   | S       |
| HURF         | HOMELAND SECURITY, BARRICADE TRAILER                            | 21,000                      | 21,000                       | -                           | -                    | 100%                   | F/S     |
| HURF         | LED LAMP REPLACEMENTS   | 20,000                      | 20,000                       | -                           | -                    | 100%                   | S       |
| HURF         | FHWA-ARROWHEAD & FANNING  | -                           | 239,000                      | 137,510                     | -                    | 100%                   | F/S     |
|              | <b>SUBTOTAL</b>   | <b>1,336,240</b>            | <b>818,690</b>               | <b>137,510</b>              | <b>-</b>             |                        |         |
| BEAUT        | FUTS SIGNAGE  | \$ 167,744                  | \$ -                         | 167,744                     | \$ 167,744           | 50%                    | S       |
| BEAUT        | FUTS - TUNNEL SPRINGS TRAIL (RR SPRINGS TO OBS MESA)            | -                           | 8,874                        | -                           | -                    | 50%                    | S       |
| BEAUT        | FUTS - MCMILLAN MESA  | 60,768                      | 60,768                       | -                           | -                    | 37%                    | S       |
| BEAUT        | FUTS/RIO NORTH-BLUE WILLOW                                      | 95,000                      | -                            | 95,000                      | 95,000               | 50%                    | S       |
| BEAUT        | TEA - 21 - US 89-RAILHEAD TO SNOWFLAKE                          | 500,000                     | -                            | 500,000                     | 31,915               | 94%                    | F/S     |
| BEAUT        | TEA - 21 - FT VALLEY TR-SECHRIST TO FREMONT                     | 500,000                     | -                            | 500,000                     | 31,915               | 94%                    | F/S     |
| BEAUT        | TEA-21 - E. FLAG TI & PROJECT OPPORTUNITY ADOT                  | 1,100,000                   | -                            | 1,100,000                   | 70,213               | 94%                    | F/S     |
| BEAUT        | TEA-21 - RT 66 RIO NORTH TO SAN FRANCISCO                       | -                           | -                            | 500,000                     | 31,915               | 94%                    | F/S     |
| BEAUT        | EFTI-ADOT FUNDING-SECTION 115/117                               | -                           | -                            | 1,240,000                   | -                    | 100%                   | F/S     |
| BEAUT        | EFTI-MPO-FHWA GRANT   | -                           | -                            | 215,000                     | -                    | 100%                   | F/S     |
| BEAUT        | TEA 21 - W VILLAGE TO WALNUT BSNF                               | -                           | -                            | 500,000                     | 31,915               | 94%                    | F/S     |
|              | <b>SUBTOTAL</b>   | <b>2,423,512</b>            | <b>69,642</b>                | <b>4,817,744</b>            | <b>229,043</b>       |                        |         |
| BBB-REC      | THORPE PARK PHASE I RENOVATION                                  | 550,000                     | 550,000                      | -                           | -                    | 37%                    | S       |
| BBB-REC      | BMX PARK/6TH STREET   | -                           | 293,641                      | -                           | -                    | 50%                    | S       |
|              | <b>SUBTOTAL</b>   | <b>550,000</b>              | <b>843,641</b>               | <b>-</b>                    | <b>-</b>             |                        |         |
| HSG          | 02/03 CDBG ENTITLEMENT  | 188,581                     | 88,581                       | 100,000                     | -                    | 100%                   | F       |
| HSG          | 03/04 CDBG ENTITLEMENT  | 123,000                     | 22,141                       | 100,859                     | -                    | 100%                   | F       |
| HSG          | 04/05 CDBG ENTITLEMENT  | 390,226                     | 281,162                      | 109,064                     | -                    | 100%                   | F       |
| HSG          | 05/06 CDBG ENTITLEMENT  | 882,961                     | 555,857                      | 327,104                     | -                    | 100%                   | F       |
| HSG          | 06/07 CDBG ENTITLEMENT  | -                           | -                            | 815,702                     | -                    | 100%                   | F       |
| HSG          | OWNER OCCUPIED HOUSING REHAB-HOME                               | 419,990                     | -                            | -                           | -                    | 100%                   | F/S     |
| HSG          | EMERGENCY REPAIR PROG-HTF                                       | 308,890                     | -                            | -                           | -                    | 100%                   | F/S     |
| HSG          | STATE GRANTS  | -                           | -                            | 400,000                     | -                    | 100%                   | S       |
|              | <b>SUBTOTAL</b>   | <b>2,313,648</b>            | <b>947,741</b>               | <b>1,852,729</b>            | <b>-</b>             |                        |         |
| MPO          | MISC GRANT REVENUE  | 265,573                     | -                            | -                           | -                    | 93%                    | F/S     |
| MPO          | FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION 2004               | 68,290                      | -                            | -                           | -                    | 93%                    | F/S     |
| MPO          | FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION 2005               | 275,803                     | 102,075                      | 310,613                     | 23,379               | 93%                    | F/S     |
| MPO          | FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION 2006               | -                           | 250,803                      | -                           | -                    | 93%                    | F/S     |
| MPO          | FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION 2007               | -                           | -                            | 435,804                     | 32,802               | 93%                    | F/S     |
|              | <b>SUBTOTAL</b>   | <b>609,666</b>              | <b>352,878</b>               | <b>746,417</b>              | <b>56,181</b>        |                        |         |
| UTIL         | INNER BASIN COMPOSTING TOILET                                   | 19,200                      | 19,200                       | -                           | -                    | 60%                    | F/S     |
| UTIL         | XERISCAPE DEMONSTRATION GARDEN                                  | -                           | -                            | 19,950                      | 19,950               | 50%                    | F       |
| UTIL         | WATERLESS URINALS   | -                           | 34,500                       | -                           | -                    | 50%                    | F       |
| UTIL         | SYSTEM VULNERABILITY  | -                           | -                            | 37,815                      | -                    | 100%                   | F/S     |
|              | <b>SUBTOTAL</b>   | <b>19,200</b>               | <b>53,700</b>                | <b>57,765</b>               | <b>19,950</b>        |                        |         |
| AIRPT        | MASTER PLAN UPDATE (AIP 22/AIP 25/AIP 26/ADOT MATCH)            | 57,318                      | 154,635                      | -                           | -                    | 97.50%                 | F&S     |
| AIRPT        | CONSTRUCT ARFF BLDG (AIP 23/AIP 24/ADOT MATCH)                  | 162,009                     | 181,152                      | 12,571                      | 588                  | 97.50%                 | F&S     |
| AIRPT        | JWP WIDENING (AIP 27/ADOT MATCH)                                | -                           | 507,462                      | 815,349                     | 20,907               | 97.50%                 | F&S     |
| AIRPT        | DESIGN/CONSTR RUNWAY EXT., SAFETY AREA RW21 (AIP XX/ADOT MATCH) | 6,020,216                   | 10,384                       | 6,922,500                   | 177,500              | 97.50%                 | F&S     |
| AIRPT        | PERIMERTER ROAD   | -                           | -                            | 936,000                     | 24,000               | 97.50%                 | F&S     |
| AIRPT        | LAND ACQUISITION  | 1,026,000                   | -                            | -                           | -                    | 90%                    | S       |
| AIRPT        | LAND ACQUISITION FY 01 (ADOT E1107)                             | 1,026,000                   | -                            | -                           | -                    | 90%                    | S       |
|              | <b>SUBTOTAL</b>   | <b>8,291,543</b>            | <b>853,633</b>               | <b>8,686,420</b>            | <b>198,995</b>       |                        |         |
| ENV          | BROWNFIELD LAND RECYCLING                                       | 75,000                      | -                            | 200,000                     | -                    | 75%                    | F/S     |
|              | <b>SUBTOTAL</b>   | <b>75,000</b>               | <b>-</b>                     | <b>200,000</b>              | <b>-</b>             |                        |         |
| TOUR         | TRAIN STATION RESTORATION                                       | -                           | -                            | 50,000                      | -                    | 100%                   | S       |
|              | <b>SUBTOTAL</b>   | <b>-</b>                    | <b>-</b>                     | <b>50,000</b>               | <b>-</b>             |                        |         |
| <b>TOTAL</b> |   | <b>\$ 17,385,636</b>        | <b>\$ 5,627,737</b>          | <b>\$ 19,298,118</b>        | <b>\$ 739,278</b>    |                        |         |

Funding: L=Local, N/P=Non-Profit, S=State, F=Federal, F/S=Federal thru State, F&S=Federal and State

Schedule 6: Appropriations by Fund

| FUND/DEPARTMENT                  | ACTUAL<br>EXPENDITURES/<br>EXPENSES<br>2004-2005 | BUDGETED<br>EXPENDITURE/<br>EXPENSE<br>2005-2006 | ACTUAL<br>EXPENDITURES/<br>EXPENSES<br>2005-2006 | BUDGETED<br>EXPENDITURE/<br>EXPENSE<br>2006-2007 | CHANGE<br>(BUDG-BUDG) | %<br>CHANGE |
|----------------------------------|--|--|--|--|-----------------------|-------------|
| <b>GENERAL FUND</b>              |  |  |  |  |                       |             |
| General Administration           | \$ 4,428,295                                     | \$ 5,200,940                                     | \$ 5,002,598                                     | \$ 5,780,417                                     | \$ 579,477            | 11.1%       |
| Community Development            | 3,305,113  | 4,105,404  | 3,641,191  | 4,912,169  | 806,765               | 19.7%       |
| Management Services              | 3,440,945  | 3,503,470  | 3,359,661  | 4,098,404  | 594,934               | 17.0%       |
| Fire                             | 7,351,936  | 8,655,551  | 8,429,695  | 10,223,592                                       | 1,568,041             | 18.1%       |
| Police                           | 12,309,873                                       | 14,297,667                                       | 14,184,373                                       | 15,546,867                                       | 1,249,200             | 8.7%        |
| Public Works                     | 6,015,078  | 6,775,498  | 6,439,942  | 8,434,929  | 1,659,431             | 24.5%       |
| Utilities                        | 37,878   | 28,757   | 28,757   | 14,932   | (13,825)              | (48.1%)     |
| Non-departmental                 | (1,509,061)                                      | 1,935,270  | (1,740,756)                                      | 4,475,833  | 2,540,563             | 131.3%      |
| Contingency                      | 5,822  | 530,000  | 280,000  | 500,000  | (30,000)              | (5.7%)      |
| Total General Fund               | 35,385,879                                       | 45,032,557                                       | 39,625,461                                       | 53,987,143                                       | 8,954,586             | 19.9%       |
| <b>SPECIAL REVENUE FUNDS</b>     |  |  |  |  |                       |             |
| <b>LIBRARY FUND</b>              |  |  |  |  |                       |             |
| General Administration           | 81,895   | 98,387   | 98,387   | 113,206  | 14,819                | 15.1%       |
| Community Development            | 45,594   | 48,518   | 48,518   | 50,242   | 1,724                 | 3.6%        |
| Management Services              | 3,271,046  | 4,276,495  | 3,118,685  | 4,565,601  | 289,106               | 6.8%        |
| Public Works                     | 69,178   | 73,733   | 73,733   | 80,077   | 6,344                 | 8.6%        |
| Utilities                        | 901  | 884  | 884  | 1,195  | 311                   | 35.2%       |
| Non-departmental                 | 54,930   | 66,322   | 66,322   | 83,696   | 17,374                | 26.2%       |
| Contingency                      | -  | 100,000  | -  | 100,000  | -                     | -           |
|                                  | 3,523,544  | 4,664,339  | 3,406,529  | 4,994,017  | 329,678               | 7.1%        |
| <b>HIGHWAY USER REVENUE FUND</b> |  |  |  |  |                       |             |
| General Administration           | 140,443  | 247,091  | 247,091  | 230,386  | (16,705)              | (6.8%)      |
| Community Development            | 813,791  | 890,966  | 890,966  | 884,940  | (6,026)               | (0.7%)      |
| Management Services              | 215,471  | 246,583  | 246,583  | 205,898  | (40,685)              | (16.5%)     |
| Public Works                     | 12,012,728                                       | 24,134,851                                       | 13,770,788                                       | 23,906,500                                       | (228,351)             | (0.9%)      |
| Utilities                        | 1,818  | 3,289  | 3,289  | 3,503  | 214                   | 6.5%        |
| Non-departmental                 | 182,393  | 228,892  | 228,892  | 250,476  | 21,584                | 9.4%        |
| Contingency                      | 3,478  | 100,000  | -  | 100,000  | -                     | -           |
|                                  | 13,370,122                                       | 25,851,672                                       | 15,387,609                                       | 25,581,703                                       | (269,969)             | (1.0%)      |
| <b>TRANSPORTATION FUND</b>       |  |  |  |  |                       |             |
| Community Development            | 10,913,947                                       | 12,113,285                                       | 12,113,285                                       | 1,971,940  | (10,141,345)          | (83.7%)     |
| Non-departmental                 | 1,864,004  | 2,630,156  | 3,250,000  | 2,762,433  | 132,277               | 5.0%        |
|                                  | 12,777,951                                       | 14,743,441                                       | 15,363,285                                       | 4,734,373  | (10,009,068)          |             |
| <b>BEAUTIFICATION FUND</b>       |  |  |  |  |                       |             |
| Community Development            | 1,276,079  | 5,544,432  | 1,744,732  | 9,542,128  | 3,997,696             | 72.1%       |
| Reserve/Contingency              | -  | 10,000   | -  | 10,000   | -                     | -           |
|                                  | 1,276,079  | 5,554,432  | 1,744,732  | 9,552,128  | 3,997,696             | 72.0%       |
| <b>ECONOMIC DEVELOPMENT FUND</b> |  |  |  |  |                       |             |
| Non-departmental                 | 405,624  | 474,400  | 414,400  | 621,400  | 147,000               | 31.0%       |
| Reserve/Contingency              | -  | 25,000   | -  | 25,000   | -                     | -           |
|                                  | 405,624  | 499,400  | 414,400  | 646,400  | 147,000               | 29.4%       |
| <b>TOURISM FUND</b>              |  |  |  |  |                       |             |
| General Administration           | \$ 1,206,562                                     | \$ 1,687,622                                     | \$ 1,463,487                                     | \$ 1,822,828                                     | \$ 135,206            | 8.0%        |
| Reserve/Contingency              | -  | 50,000   | -  | 50,000   | -                     | -           |
|                                  | 1,206,562  | 1,737,622  | 1,463,487  | 1,872,828  | 135,206               | 7.8%        |

Schedule 6: Appropriations by Fund

| FUND/DEPARTMENT                            | ACTUAL<br>EXPENDITURES/<br>EXPENSES<br>2004-2005 | BUDGETED<br>EXPENDITURE/<br>EXPENSE<br>2005-2006 | ACTUAL<br>EXPENDITURES/<br>EXPENSES<br>2005-2006 | BUDGETED<br>EXPENDITURE/<br>EXPENSE<br>2006-2007 | CHANGE<br>(BUDG-BUDG) | %<br>CHANGE    |
|--|--|--|--|--|-----------------------|----------------|
| <b>ARTS AND SCIENCE FUND</b>               |  |  |  |  |                       |                |
| General Administration                     | 325,798  | 403,391  | 341,500  | 621,487  | 218,096               | 54.1%          |
| Reserve/Contingency                        | -  | 10,000   | -  | 10,000   | -                     | -              |
|  | <u>325,798</u>                                   | <u>413,391</u>                                   | <u>341,500</u>                                   | <u>631,487</u>                                   | <u>218,096</u>        | <u>52.8%</u>   |
| <b>RECREATION-BBB FUND</b>                 |  |  |  |  |                       |                |
| Public Works                               | 1,155,915  | 3,415,552  | 1,745,987  | 4,809,145  | 1,393,593             | 40.8%          |
| <b>REAL ESTATE PROCEEDS FUND</b>           |  |  |  |  |                       |                |
| Non-departmental                           | 262,725  | 2,501,900  | 200,000  | 150,000  | (2,351,900)           | (94.0%)        |
| <b>HOUSING AND COMMUNITY SERVICES FUND</b> |  |  |  |  |                       |                |
| Community Development                      | 986,134  | 4,806,625  | 1,524,611  | 4,362,961  | (443,664)             | (9.2%)         |
| Non-departmental                           | 33,516   | -  | -  | -  | -                     | -              |
|  | <u>1,019,650</u>                                 | <u>4,806,625</u>                                 | <u>1,524,611</u>                                 | <u>4,362,961</u>                                 | <u>(443,664)</u>      | <u>(9.2%)</u>  |
| <b>METRO PLANNING ORG FUND</b>             |  |  |  |  |                       |                |
| Community Development                      | 331,284  | 508,002  | 340,430  | 776,417  | 268,415               | 52.8%          |
| Non-departmental                           | 30,955   | 51,664   | 37,447   | -  | (51,664)              | (100.0%)       |
| Contingency                                | -  | 100,000  | -  | 240,000  | 140,000               | -              |
|  | <u>362,239</u>                                   | <u>659,666</u>                                   | <u>377,877</u>                                   | <u>1,016,417</u>                                 | <u>356,751</u>        | <u>54.1%</u>   |
| Total Special Revenue Funds                | <u>35,686,209</u>                                | <u>64,848,040</u>                                | <u>41,970,017</u>                                | <u>58,351,459</u>                                | <u>(6,496,581)</u>    | <u>(10.0%)</u> |
| <b>DEBT SERVICE FUNDS</b>                  |  |  |  |  |                       |                |
| <b>GENERAL OBLIGATION BONDS FUND</b>       |  |  |  |  |                       |                |
| Non-departmental                           | 1,762,246  | 3,451,761  | 3,451,879  | 3,111,708  | (340,053)             | (9.9%)         |
| <b>SPECIAL ASSESSMENT BONDS FUND</b>       |  |  |  |  |                       |                |
| Non-departmental                           | 298,998  | 94,545   | 94,145   | 91,447   | (3,098)               | (3.3%)         |
| Total Debt Service Funds                   | <u>2,061,244</u>                                 | <u>3,546,306</u>                                 | <u>3,546,024</u>                                 | <u>3,203,155</u>                                 | <u>(343,151)</u>      | <u>(9.7%)</u>  |
| <b>CAPITAL PROJECT FUNDS</b>               |  |  |  |  |                       |                |
| <b>CAPITAL PROJECTS BOND FUND</b>          |  |  |  |  |                       |                |
| Non-departmental                           | 970,005  | 10,692,520                                       | 2,014,039  | 24,968,369                                       | 14,275,849            | 133.5%         |
| Total Capital Projects Funds               | <u>970,005</u>                                   | <u>10,692,520</u>                                | <u>2,014,039</u>                                 | <u>24,968,369</u>                                | <u>14,275,849</u>     | <u>133.5%</u>  |
| <b>ENTERPRISE FUNDS</b>                    |  |  |  |  |                       |                |
| <b>WATER AND WASTEWATER FUND</b>           |  |  |  |  |                       |                |
| General Administration                     | \$ 221,209                                       | \$ 273,877                                       | \$ 273,877                                       | \$ 286,665                                       | \$ 12,788             | 4.7%           |
| Community Development                      | 670,558  | 649,464  | 649,464  | 705,952  | 56,488                | 8.7%           |
| Management Services                        | 478,507  | 512,516  | 512,516  | 631,466  | 118,950               | 23.2%          |
| Public Works                               | 44,849   | 43,796   | 43,796   | 47,411   | 3,615                 | 8.3%           |
| Utilities                                  | 19,827,922                                       | 54,933,755                                       | 28,467,020                                       | 49,040,473                                       | (5,893,282)           | (10.7%)        |
| Non-departmental                           | 304,144  | 339,648  | 339,648  | 387,120  | 47,472                | 14.0%          |
| Contingency                                | -  | 1,400,000  | -  | 1,400,000  | -                     | -              |
|  | <u>21,547,189</u>                                | <u>58,153,056</u>                                | <u>30,286,321</u>                                | <u>52,499,087</u>                                | <u>(5,653,969)</u>    | <u>(9.7%)</u>  |

Schedule 6: Appropriations by Fund

| UND/DEPARTMENT                     | ACTUAL<br>EXPENDITURES/<br>EXPENSES<br>2004-2005 | BUDGETED<br>EXPENDITURE/<br>EXPENSE<br>2005-2006 | ACTUAL<br>EXPENDITURES/<br>EXPENSES<br>2005-2006 | BUDGETED<br>EXPENDITURE/<br>EXPENSE<br>2006-2007 | CHANGE<br>(BUDG-BUDG) | %<br>CHANGE    |
|------------------------------------|--|--|--|--|-----------------------|----------------|
| <b>AIRPORT FUND</b>                |  |  |  |  |                       |                |
| General Administration             | 33,085   | 31,404   | 31,404   | 47,792   | 16,388                | 52.2%          |
| Community Development              | 25,226   | 17,892   | 17,892   | 30,046   | 12,154                | 67.9%          |
| Management Services                | 89,656   | 78,734   | 78,734   | 91,181   | 12,447                | 15.8%          |
| Public Works                       | 7,152,726  | 10,796,969                                       | 3,022,882  | 11,419,581                                       | 622,612               | 5.8%           |
| Utilities                          | 401  | 297  | 297  | 725  | 428                   | 144.1%         |
| Non-departmental                   | 75,075   | 58,443   | 58,443   | 96,716   | 38,273                | 65.5%          |
| Contingency                        | -  | -  | -  | -  | -                     | -              |
|                                    | <u>7,376,169</u>                                 | <u>10,983,739</u>                                | <u>3,209,652</u>                                 | <u>11,686,041</u>                                | <u>702,302</u>        | <u>6.4%</u>    |
| <b>ENVIRONMENTAL SERVICES FUND</b> |  |  |  |  |                       |                |
| General Administration             | 149,706  | 171,465  | 171,465  | 168,627  | (2,838)               | (1.7%)         |
| Community Development              | 108,158  | 106,151  | 106,151  | 120,107  | 13,956                | 13.1%          |
| Management Services                | 204,687  | 237,227  | 237,227  | 217,261  | (19,966)              | (8.4%)         |
| Public Works                       | 8,386,738  | 10,103,926                                       | 8,839,647  | 11,813,101                                       | 1,709,175             | 16.9%          |
| Utilities                          | 103,227  | 120,501  | 120,501  | 150,338  | 29,837                | 24.8%          |
| Non-departmental                   | 174,458  | 165,072  | 165,072  | 217,854  | 52,782                | 32.0%          |
| Contingency                        | 16,529   | 500,000  | 278,500  | 500,000  | -                     | -              |
|                                    | <u>9,143,503</u>                                 | <u>11,404,342</u>                                | <u>9,918,563</u>                                 | <u>13,187,288</u>                                | <u>1,782,946</u>      | <u>15.6%</u>   |
| <b>STORMWATER UTILITY FUND</b>     |  |  |  |  |                       |                |
| General Administration             | 10,656   | 15,651   | 15,651   | 18,381   | 2,730                 | 17.4%          |
| Community Development              | 845,551  | 10,266,370                                       | 1,814,340  | 8,873,710  | (1,392,660)           | (13.6%)        |
| Management Services                | 12,928   | 36,060   | 36,060   | 49,373   | 13,313                | 36.9%          |
| Public Works                       | 6,184  | 7,974  | 7,974  | 8,273  | 299                   | 3.7%           |
| Utilities                          | 7,315  | 8,167  | 8,167  | 9,812  | 1,645                 | 20.1%          |
| Non-departmental                   | 13,396   | 23,001   | 23,001   | 28,034   | 5,033                 | 21.9%          |
| Contingency                        | 558  | 10,000   | -  | 10,000   | -                     | -              |
|                                    | <u>896,588</u>                                   | <u>10,367,223</u>                                | <u>1,905,193</u>                                 | <u>8,997,583</u>                                 | <u>(1,369,640)</u>    | <u>(13.2%)</u> |
| Total Enterprise Funds             | <u>38,963,449</u>                                | <u>90,908,360</u>                                | <u>45,319,729</u>                                | <u>86,369,999</u>                                | <u>(4,538,361)</u>    | <u>(5.0%)</u>  |
| <b>FIDUCIARY FUNDS</b>             |  |  |  |  |                       |                |
| <b>VOLUNTEER FIREMEN'S PENSION</b> |  |  |  |  |                       |                |
| Non-departmental                   | 7,200  | 14,400   | 7,200  | 14,400   | -                     | -              |
| Total Fiduciary Funds              | <u>7,200</u>                                     | <u>14,400</u>                                    | <u>7,200</u>                                     | <u>14,400</u>                                    | <u>-</u>              | <u>-</u>       |
| <b>TOTAL ALL FUNDS</b>             | <u>\$ 113,073,986</u>                            | <u>\$ 215,042,183</u>                            | <u>\$ 132,482,470</u>                            | <u>\$ 226,894,525</u>                            | <u>\$ 11,852,342</u>  | <u>5.5%</u>    |

Schedule 7: Appropriations by Department

| DEPARTMENT/DIVISION           | ACTUAL<br>EXPENDITURES/<br>EXPENSES<br>2004-2005 | ADOPTED<br>BUDGETED<br>EXPENDITURE/<br>EXPENSE<br>2005-2006 | ESTIMATED<br>ACTUAL<br>EXPENDITURES/<br>EXPENSES<br>2005-2006 | PROPOSED<br>BUDGETED<br>EXPENDITURE/<br>EXPENSE<br>2006-2007 | CHANGE<br>(BUDG-BUDG) | %<br>CHANGE    |
|-------------------------------|--|---|---|--|-----------------------|----------------|
| <b>GENERAL ADMINISTRATION</b> |  |   |   |  |                       |                |
| City Manager                  | \$ 801,569                                       | \$ 872,431  | \$ 848,508  | \$ 924,294   | \$ 51,863             | 5.9%           |
| City Clerk                    | 256,792  | 306,384   | 294,400   | 285,132  | (21,252)              | (6.9%)         |
| City Court                    | 1,912,538  | 2,239,776   | 2,088,482   | 2,456,668  | 216,892               | 9.7%           |
| Law                           | 914,929  | 1,149,243   | 1,147,396   | 1,337,574  | 188,331               | 16.4%          |
| Human Resources               | 416,460  | 481,427   | 475,360   | 548,135  | 66,708                | 13.9%          |
| Risk Management               | 126,007  | 151,679   | 148,452   | 228,614  | 76,935                | 50.7%          |
| Tourism - Gen. Admin.         | 832,493  | 1,138,494   | 1,110,493   | 1,237,365  | 98,871                | 8.7%           |
| Visitor Services              | 374,069  | 549,128   | 352,994   | 585,463  | 36,335                | 6.6%           |
| <b>TOTAL</b>                  | <b>5,634,857</b>                                 | <b>6,888,562</b>  | <b>6,466,085</b>  | <b>7,603,245</b>   | <b>714,683</b>        | <b>10.4%</b>   |
| <b>COMMUNITY DEVELOPMENT</b>  |  |   |   |  |                       |                |
| Community Development Admin.  | 311,477  | 282,037   | 248,040   | 290,831  | 8,794                 | 3.1%           |
| Development Services          | 1,149,789  | 2,736,709   | 2,543,018   | 3,153,700  | 416,991               | 15.2%          |
| Capital Improvement           | (190,048)  | (215,102)   | (311,377)   | (281,982)  | (66,880)              | 31.1%          |
| Community Improvements        | 988,813  | 396,244   | 440,118   | 511,040  | 114,796               | 29.0%          |
| Housing and Community Svcs    | 986,134  | 4,806,625   | 1,524,611   | 4,362,961  | (443,664)             | (9.2%)         |
| Community Investment          | 1,045,082  | 905,516   | 721,392   | 1,238,580  | 333,064               | 36.8%          |
| Stormwater Utility            | 414,366  | 956,729   | 532,092   | 992,010  | 35,281                | 3.7%           |
| Stormwater Capital            | 425,046  | 953,976   | 733,662   | 275,000  | (678,976)             | (71.2%)        |
| Drainage                      | -  | 8,307,239   | 500,160   | 7,560,899  | (746,340)             | (9.0%)         |
| Transportation                | 10,738,351                                       | 12,751,841  | 13,371,685  | 2,765,273  | (9,986,568)           | (78.3%)        |
| Debt Service-4th Street       | 2,039,600  | 1,991,600   | 1,991,600   | 1,969,100  | (22,500)              | (1.1%)         |
| Urban Design                  | 36,702   | 79,571  | 90,026  | 103,550  | 23,979                | 30.1%          |
| Streetscape                   | 134,678  | 2,621,220   | 269,192   | 4,669,741  | 2,048,521             | 78.2%          |
| Flag Urban Trails System      | 1,104,699  | 2,843,641   | 1,385,514   | 4,768,837  | 1,925,196             | 67.7%          |
| Arts and Science              | 325,798  | 403,391   | 341,500   | 621,487  | 218,096               | 54.1%          |
| Metro Planning Organization   | 331,284  | 508,002   | 340,430   | 776,417  | 268,415               | 52.8%          |
| <b>TOTAL</b>                  | <b>19,841,771</b>                                | <b>40,329,239</b>   | <b>24,721,663</b>   | <b>33,777,444</b>  | <b>(6,551,795)</b>    | <b>(16.2%)</b> |
| <b>MANAGEMENT SERVICES</b>    |  |   |   |  |                       |                |
| Information Systems           | 1,373,282  | 1,308,354   | 1,258,864   | 1,528,944  | 220,590               | 16.9%          |
| Management Services Admin.    | 750,447  | 791,819   | 754,710   | 1,031,313  | 239,494               | 30.2%          |
| Finance/Budget                | 800,027  | 852,987   | 831,901   | 947,465  | 94,478                | 11.1%          |
| Sales Tax & Licensing         | 517,189  | 550,310   | 514,186   | 590,682  | 40,372                | 7.3%           |
| Library                       | 2,688,710  | 2,986,859   | 2,610,389   | 3,359,522  | 372,663               | 12.5%          |
| Library Grants                | 476,391  | 1,186,732   | 405,392   | 1,101,219  | (85,513)              | (7.2%)         |
| <b>TOTAL</b>                  | <b>6,606,046</b>                                 | <b>7,677,061</b>  | <b>6,375,442</b>  | <b>8,559,145</b>   | <b>882,084</b>        | <b>11.5%</b>   |
| <b>FIRE DEPARTMENT</b>        | <b>7,351,936</b>                                 | <b>8,655,551</b>  | <b>8,429,695</b>  | <b>10,223,592</b>  | <b>1,568,041</b>      | <b>18.1%</b>   |
| <b>POLICE DEPARTMENT</b>      |  |   |   |  |                       |                |
| Police                        | 11,557,628                                       | 13,013,766  | 13,117,689  | 14,279,361   | 1,265,595             | 9.7%           |
| Police Grants                 | 752,245  | 1,283,901   | 1,066,684   | 1,267,506  | (16,395)              | (1.3%)         |
| <b>TOTAL</b>                  | <b>12,309,873</b>                                | <b>14,297,667</b>   | <b>14,184,373</b>   | <b>15,546,867</b>  | <b>1,249,200</b>      | <b>8.7%</b>    |

Schedule 7: Appropriations by Department

| DEPARTMENT/DIVISION             | ACTUAL<br>EXPENDITURES/<br>EXPENSES<br>2004-2005 | ADOPTED<br>BUDGETED<br>EXPENDITURE/<br>EXPENSE<br>2005-2006 | ESTIMATED<br>ACTUAL<br>EXPENDITURES/<br>EXPENSES<br>2005-2006 | PROPOSED<br>BUDGETED<br>EXPENDITURE/<br>EXPENSE<br>2006-2007 | CHANGE<br>(BUDG-BUDG) | %<br>CHANGE    |
|---------------------------------|--|---|---|--|-----------------------|----------------|
| <b>PUBLIC WORKS</b>             |  |   |   |  |                       |                |
| Public Works Administration     | \$ 211,514                                       | \$ 231,938  | \$ 309,159  | \$ 270,670   | \$ 38,732             | 16.7%          |
| USGS Facilities                 | 687,194  | 931,547   | 718,798   | 1,297,869  | 366,322               | 39.3%          |
| Parks                           | 2,170,735  | 2,266,889   | 2,262,474   | 2,689,980  | 423,091               | 18.7%          |
| Fleet Services                  | 78,848   | 124,456   | 78,419  | 34,125   | (90,331)              | (72.6%)        |
| Cemetery                        | 157,149  | 207,705   | 179,240   | 217,329  | 9,624                 | 4.6%           |
| Public Facilities Maintenance   | 823,498  | 954,363   | 862,790   | 1,605,839  | 651,476               | 68.3%          |
| Recreation                      | 1,886,140  | 2,058,600   | 2,029,062   | 2,319,117  | 260,517               | 12.7%          |
| Street Maintenance & Repairs    | 2,986,362  | 3,675,925   | 2,679,501   | 4,430,556  | 754,631               | 20.5%          |
| Street Const. & Reconstruction  | 1,633,413  | 5,236,583   | 4,884,621   | 4,597,796  | (638,787)             | (12.2%)        |
| Transportation CIP              | 4,845,432  | 12,650,431  | 3,634,754   | 12,284,297   | (366,134)             | (2.9%)         |
| Street & Highway User Rev Bonds | 2,398,830  | 2,417,785   | 2,417,785   | 2,411,086  | (6,699)               | (0.3%)         |
| Airport                         | 6,602,625  | 10,080,778  | 2,306,691   | 10,774,250   | 693,472               | 6.9%           |
| Debt Service - Airport          | 473,927  | 648,824   | 648,824   | 580,114  | (68,710)              | (10.6%)        |
| Environmental Services          | 8,192,552  | 9,939,291   | 8,675,012   | 11,584,326   | 1,645,035             | 16.6%          |
| Recreation-BBB                  | 1,155,915  | 3,415,552   | 1,745,987   | 4,809,145  | 1,393,593             | 40.8%          |
| <b>TOTAL</b>                    | <b>34,304,134</b>                                | <b>54,840,667</b>   | <b>33,433,117</b>   | <b>59,906,499</b>  | <b>5,065,832</b>      | <b>9.2%</b>    |
| <b>UTILITIES</b>                |  |   |   |  |                       |                |
| Administration                  | 1,003,012  | 1,337,153   | 1,316,648   | 1,174,301  | (162,852)             | (12.2%)        |
| Lake Mary Water Plant           | 2,475,498  | 4,030,151   | 3,285,815   | 4,053,890  | 23,739                | 0.6%           |
| Customer Service                | 613,004  | 785,822   | 748,284   | 836,629  | 50,807                | 6.5%           |
| Water Distribution System       | 1,018,917  | 1,210,836   | 1,206,185   | 1,487,398  | 276,562               | 22.8%          |
| Booster Stations                | 81,062   | 76,356  | 75,132  | 90,852   | 14,496                | 19.0%          |
| Betterments & Imp. Water Dist   | 3,260,373  | 3,900,991   | 1,489,982   | 4,980,751  | 1,079,760             | 27.7%          |
| Betterments & Imp. Water Prod   | 297,233  | 19,157,014  | 8,644,803   | 12,058,180   | (7,098,834)           | (37.1%)        |
| Wastewater Treatment            | 1,470,580  | 1,674,881   | 1,497,575   | 1,712,065  | 37,184                | 2.2%           |
| Wastewater Collection           | 818,699  | 1,148,459   | 740,856   | 1,375,364  | 226,905               | 19.8%          |
| Wastewater Monitoring           | 273,259  | 472,521   | 405,611   | 332,154  | (140,367)             | (29.7%)        |
| Reclaim Water Plant             | 859,550  | 930,059   | 972,905   | 896,307  | (33,752)              | (3.6%)         |
| Wastewater Treatment Imp        | 1,401,208  | 14,546,535  | 2,495,753   | 13,703,070   | (843,465)             | (5.8%)         |
| Wastewater Collection Imp       | 2,464,517  | 1,137,087   | 1,066,062   | 1,361,133  | 224,046               | 19.7%          |
| Debt Service - Water            | 2,142,910  | 1,839,110   | 2,457,080   | 3,562,630  | 1,723,520             | 93.7%          |
| Debt Service - Sewer            | 1,799,640  | 2,848,675   | 2,226,224   | 1,596,254  | (1,252,421)           | (44.0%)        |
| <b>TOTAL</b>                    | <b>19,979,462</b>                                | <b>55,095,650</b>   | <b>28,628,915</b>   | <b>49,220,978</b>  | <b>(5,874,672)</b>    | <b>(10.7%)</b> |
| <b>NON-DEPARTMENTAL</b>         |  |   |   |  |                       |                |
| Council & Commissions           | 227,157  | 233,791   | 225,852   | 303,837  | 70,046                | 30.0%          |
| Contributions to Other Agencies | 710,336  | 787,053   | 747,064   | 966,190  | 179,137               | 22.8%          |
| Non-Departmental                | 2,311,009  | 5,677,423   | 2,035,108   | 8,388,910  | 2,711,487             | 47.8%          |
| Real Estate Proceeds            | 262,725  | 2,501,900   | 200,000   | 150,000  | (2,351,900)           | (94.0%)        |
| Firemen's Pension               | 7,200  | 14,400  | 7,200   | 14,400   | -                     | -              |
| G.O. Bond - Debt Service        | 1,762,246  | 3,451,761   | 3,451,879   | 3,111,708  | (340,053)             | (9.9%)         |
| Special Assessments Bonds       | 298,998  | 94,545  | 94,145  | 91,447   | (3,098)               | (3.3%)         |
| Capital Projects Bond           | 970,005  | 10,692,520  | 2,014,039   | 24,968,369   | 14,275,849            | 133.5%         |
| Economic Development            | 405,624  | 474,400   | 414,400   | 621,400  | 147,000               | 31.0%          |
| Facility Improvement Debt       | 64,220   | 494,993   | 494,993   | 495,494  | 501                   | 0.1%           |
| <b>TOTAL</b>                    | <b>7,019,520</b>                                 | <b>24,422,786</b>   | <b>9,684,680</b>  | <b>39,111,755</b>  | <b>14,688,969</b>     | <b>60.1%</b>   |
| <b>RESERVES/CONTINGENCIES</b>   | <b>26,387</b>                                    | <b>2,835,000</b>  | <b>558,500</b>  | <b>2,945,000</b>   | <b>110,000</b>        | <b>3.9%</b>    |
| <b>GRAND TOTAL</b>              | <b>\$ 113,073,986</b>                            | <b>\$ 215,042,183</b>                                       | <b>\$ 132,482,470</b>   | <b>\$ 226,894,525</b>  | <b>\$ 11,852,342</b>  | <b>5.5%</b>    |

This schedule includes the entire budgetary responsibility of the division without regard to funding source. Operating revenue transfers provide the level of accountability for division managers and department heads.

Schedule 8: Operating Capital

CITY OF FLAGSTAFF  
SUMMARY OF OPERATING CAPITAL  
FISCAL YEAR 2006-2007

| DIV # | DIVISION              | OPERATING CAPITAL                      | CARRYFWD<br>2005-2006 | BUDGET<br>2006-2007 |
|-------|-----------------------|--|-----------------------|---------------------|
| 9     | MANAGEMENT SERVICES   | FOLDER/INSERTER                        | \$ -                  | \$ 20,000           |
|       |                       | SKYLIGHTS (20)                         | -                     | 50,000              |
| 11    | LIBRARY SERVICES      | LIBRARY VAN                            | -                     | 20,500              |
|       |                       | LIBRARY PALSMOBILE                     | 125,000               | 125,000             |
|       |                       | LIBRARY BOOKMOBILE                     | 200,000               | 200,000             |
| 16    | DEVELOPMENT SERVICES  | REPLACE E2-16, 1/2 TON 4 X 4 PICKUP    | -                     | 19,675              |
|       |                       | PICKUP EXTENDED CAB 4 X 4              | -                     | 20,000              |
|       |                       | REPLACE E2-20, 3/4 TON 4 X 4 PICKUP    | -                     | 19,675              |
|       |                       | DRYING OVEN                            | -                     | 8,000               |
|       |                       | ACER DRILL                             | -                     | 5,000               |
|       |                       | REPLACE I2-1, HYBRID SUV               | -                     | 29,000              |
|       |                       | REPLACE I2-16, HYBRID SUV              | -                     | 29,000              |
|       |                       | REPLAC I2-50, HYBRID SUV               | -                     | 29,000              |
|       |                       | NEW VEHICLE FOR INSPECTOR 1            | -                     | 20,000              |
| 18    | COMMUNITY INVESTMENT  | HONDA CIVIC                            | -                     | 24,000              |
|       |                       | HONDA CIVIC - CODE ENFORCEMENT         | -                     | 23,000              |
|       |                       | HONDA CIVIC - CODE ENFORCEMENT         | -                     | 23,000              |
| 21    | FIRE                  | TYPE 1 ENGINE CARRY FORWARD FROM FY 06 | 404,500               | 404,500             |
|       |                       | REPLACE F2-17, BRONCO                  | -                     | 24,500              |
|       |                       | REPLACE F2-08, 3/4 TON CHEVY TRUCK     | -                     | 27,650              |
|       |                       | HURST RESCUE TOOL                      | -                     | 25,000              |
|       |                       | CHANNEL 7 BASE STATION REPLACEMENT     | -                     | 8,500               |
|       |                       | NAGELLAN DW 7000 MODEM AND SATELLITE   | -                     | 6,000               |
|       |                       | VIDEO CONFERENCING CAMERAS             | -                     | 14,000              |
|       |                       | ALL TERRAIN QUAD                       | -                     | 13,500              |
|       |                       | DHS HEAVY RESCUE UNIT                  | -                     | 936,718             |
|       |                       | GOHS RESCUE EQUIPMENT                  | -                     | 5,300               |
| 22    | POLICE                | REPLACE 6 PATROL SEDANS                | -                     | 136,200             |
|       |                       | POLICE VEHICLE                         | -                     | 33,570              |
|       |                       | PRISONER VAN                           | -                     | 37,500              |
|       |                       | CARGO BOX                              | -                     | 22,716              |
|       |                       | INTOXILYZER                            | -                     | 7,236               |
|       |                       | KUSTOM IN-CAR VIDEO SYSTEM             | -                     | 24,768              |
|       |                       | HYBRID SUV ADMINISTRATIVE VEHICLES     | -                     | 82,000              |
|       |                       | COPIER                                 | -                     | 11,749              |
|       |                       | STAIRWELL ENCLOSER                     | -                     | 7,243               |
|       |                       | EVIDENCE STORAGE                       | -                     | 13,012              |
| 23    | POLICE GRANTS         | BOMB VEHICLE                           | -                     | 75,806              |
|       |                       | DHS TACTICAL OPERATION VEHICLE         | -                     | 320,000             |
|       |                       | PERSONAL PROTECTIVE GEAR               | -                     | 5,000               |
|       |                       | SMART ZONE COMM. UPGRADE               | -                     | 100,000             |
|       |                       | DIGITAL RECORDER & CAMERAS             | -                     | 50,000              |
|       |                       | ATV'S                                  | -                     | 14,000              |
|       |                       | INTERNET CRIMES AGAINST CHILDREN       | -                     | 11,639              |
| 24    | CAPITAL PROJECTS FUND | FIRE TRUCK QUINT                       | 900,000               | 900,000             |
|       |                       | SCBA EQUIPMENT                         | 400,000               | 400,000             |
| 25    | PUBLIC WORKS ADMIN    | HYBRID SUV REPLACEMENT FOR PLANNER     | -                     | 29,000              |

Schedule 8: Operating Capital

| DIV # | DIVISION           | OPERATING CAPITAL                       | CARRYFWD<br>2005-2006 | BUDGET<br>2006-2007 |
|-------|--------------------|---|-----------------------|---------------------|
| 26    | PARKS              | WOOD FIBER REPLACEMENT                  | -                     | 15,000              |
|       |                    | BASKETBALL COURT RESUFACING - CHESHIRE  | -                     | 9,500               |
|       |                    | RESURFACE TENNIS COURT AT CHESHIRE PARK | -                     | 12,600              |
|       |                    | FLAG POLE RESTORATION                   | -                     | 20,000              |
|       |                    | AIR COMPRESSOR                          | -                     | 18,500              |
|       |                    | WATER TANK TRAILER                      | -                     | 6,100               |
|       |                    | 14' TILT TRAILER                        | -                     | 7,200               |
|       |                    | SKID STEER TRACTOR                      | -                     | 32,000              |
|       |                    | UTILITY VEHICLE                         | -                     | 20,000              |
|       |                    | THORPE FENCE                            | -                     | 67,100              |
|       |                    | CHESHIRE FENCE                          | -                     | 14,400              |
|       |                    | SKID STEER TRACTOR                      | -                     | 32,000              |
|       |                    | 1/2 TON PICKUP                          | -                     | 17,500              |
|       |                    | 1/2 TON PICKUP                          | -                     | 17,500              |
| 27    | FLEET SERVICES     | FRONT GATE REPLACEMENT FOR CITY YARD    | -                     | 8,125               |
|       |                    | RESURFACE LOWER SHOP FLOOR              | -                     | 10,000              |
|       |                    | AIR EXHAUST SYSTEM - LOWER SHOP         | -                     | 10,000              |
|       |                    | IRON WORKER MACHINE                     | -                     | 6,000               |
| 29    | FACILITIES         | 4 X 4 PICKUP EXTENDED CAB               | -                     | 26,000              |
| 30    | RECREATION         | CARPET/TILE REPLACEMENT - FLAG REC      | -                     | 13,000              |
|       |                    | INTERIOR PAINTING - FLAG REC            | -                     | 11,300              |
|       |                    | PART. PAINT - INT/EXT - JAY LIVELY      | -                     | 6,400               |
|       |                    | DOOR REPLACEMENT - JAY LIVELY           | -                     | 5,000               |
|       |                    | THORPE PARK SCOREBOARDS                 | -                     | 11,000              |
| 32    | STREET MAINT & REP | SWEEPRITE MODEL 4400                    | -                     | 190,000             |
|       |                    | 10 WHEEL DUMP TRUCK                     | -                     | 165,000             |
|       |                    | LOADER                                  | -                     | 146,000             |
|       |                    | LOADER                                  | -                     | 146,000             |
|       |                    | 10 WL DUMP TRUCK                        | -                     | 165,000             |
|       |                    | SNOW WING                               | -                     | 8,000               |
|       |                    | 10 WHEEL DUMP TRUCK                     | -                     | 165,000             |
|       |                    | SLIDE FOR WATER TANK                    | -                     | 25,000              |
|       |                    | ECONLITE TS2 TRAFFIC CONGTROL CABINET   | -                     | 17,000              |
|       |                    | ATSI BIU TESTER                         | -                     | 7,000               |
|       |                    | ONE TON UTILITY TRUCK                   | -                     | 45,000              |
| 38    | AIRPORT            | MOWING TRACTOR                          | -                     | 57,900              |
|       |                    | 4 X 4 3/4 TON PICKUP WITH SNOWPLOW      | -                     | 28,000              |
| 41    | ENVIRONMENTAL SVCS | PICK UP TRUCK                           | -                     | 22,000              |
|       |                    | COPIER                                  | -                     | 7,784               |
|       |                    | REPLACE G8-64 SIDE LOADER               | -                     | 215,000             |
|       |                    | REAR LOADER                             | -                     | 185,000             |
|       |                    | TOP LOADER                              | -                     | 230,000             |
|       |                    | ROLL OFF TRUCK                          | -                     | 175,000             |
|       |                    | LITTER FENCE EXTENSIONS                 | -                     | 36,000              |
|       |                    | LANDFILL CLOSURE COSTS                  | -                     | 500,000             |
|       |                    | REFURBISH G8-24 DOZER                   | -                     | 145,000             |
|       |                    | 3/4 TON 4X4 PICKUP                      | -                     | 25,000              |
|       |                    | ROLL OFF TRUCK                          | -                     | 25,000              |
|       |                    | PORTABLE LITTER FENCING                 | -                     | 30,000              |
|       |                    | REPLACE G8-50 - BIN MAINTENACE TRUCK    | -                     | 60,000              |
|       |                    | REPLACE G8-1 - ROLL OFF TRUCK           | -                     | 175,000             |
|       |                    | RAPID RAIL                              | -                     | 195,000             |
|       |                    | TOP LOADER                              | -                     | 220,000             |
|       |                    | GENERATOR                               | -                     | 10,000              |
|       |                    | ROAD EXTENSION                          | -                     | 5,000               |
|       |                    | WIRELESS ANTENNA                        | 12,000                | 12,000              |
|       |                    | SIDE LOADER                             | 195,000               | 195,000             |
|       |                    | TOP LOADER                              | 195,000               | 195,000             |
|       |                    | TOP LOADER                              | 195,000               | 215,000             |

Schedule 8: Operating Capital

| DIV # | DIVISION                   | OPERATING CAPITAL                                 | CARRYFWD<br>2005-2006 | BUDGET<br>2006-2007  |
|-------|----------------------------|---|-----------------------|----------------------|
| 42    | UTILITY ADMIN              | WILDLIFE VIEWING AREA EQUIPMENT                   | 10,780                | 10,780               |
| 47    | LAKE MARY WTR PLANT        | POLYMER FEED PUMP                                 | -                     | 7,000                |
|       |                            | ALUM/CAUSTIC FEED PUMP                            | -                     | 8,000                |
|       |                            | TURBIDIMETERS (3) W/CONTROLLER                    | -                     | 8,000                |
|       |                            | UPPER LAKE MARY DAM IMPROVEMENTS.                 | -                     | 20,000               |
|       |                            | COMPOSTING TOILET.                                | 32,000                | 32,000               |
|       |                            | BOOM TRUCK REPLACEMENT                            | -                     | 60,000               |
|       |                            | SNOW PLOW   | -                     | 5,500                |
| 48    | CUSTOMER SERVICE           | MOBILE ITRON I-74 DATA COLLECTOR                  | 6,000                 | 37,500               |
| 49    | WATER DISTRIBUTION         | 1/2 TON 4X4 TRUCK (2)                             | -                     | 50,000               |
|       |                            | 4 X 4 UTILITY BED SERVICE TRUCK W/HYDRAULIC CRANE | 19,730                | 69,730               |
|       |                            | 4 X 4 UTILITY BED SERVICE TRUCK W/HYDRAULIC CRANE | -                     | 50,000               |
|       |                            | UTILITY BED REPLACEMENT & HYDRAULIC CRANE         | 22,280                | 22,280               |
| 51    | WATER DISTRIBUTION IMPRV   | RADIO METERS                                      | -                     | 309,000              |
| 52    | WATER PRODUCTION IMPRV     | WATER QUALITY MONITORS                            | -                     | 240,000              |
|       |                            | COMPUTER EQUIPMENT                                | -                     | 62,661               |
| 54    | WSWTR COLLECTION           | HYDRO-VAC SEWER CLEANER                           | 200,000               | 260,000              |
|       |                            | HYDRO-VAC SEWER CLEANER                           | 190,000               | 260,000              |
|       |                            | SKID MOUNTED ROOT FOAMER                          | 33,050                | 33,050               |
| 56    | RECLAIMED WATER            | SUBMERSIBLE PROPELLER PUMP                        | -                     | 25,500               |
| 57    | WW TREATMENT IMPROVEMENTS  | WW SYSTEM OPTIMIZER SOFTWARE                      | -                     | 30,000               |
| 58    | WW COLLECTION IMPROVEMENTS | REBATE - RECLAIMED H2O                            | -                     | 110,000              |
| 65    | CITY COURT                 | BULLET PROOFING JUDGES BENCHES/CLERICAL AREA      | -                     | 10,000               |
| 66    | NON-DEPARTMENTAL           | COPIER W/NETWORK OPTIONS                          | 10,000                | 60,000               |
| 67    | REAL ESTATE                | LAND ACQUISITION COSTS                            | -                     | 150,000              |
|       |                            | TOTAL   | <u>\$ 3,150,340</u>   | <u>\$ 10,781,867</u> |

Schedule 9: Capital Improvement Program

CITY OF FLAGSTAFF  
SUMMARY OF CAPITAL IMPROVEMENT PROGRAM  
FISCAL YEAR 2006-2007

| DIV # | DIVISION                      | PROJECT                         | CARRYFWD<br>2005-2006 | BUDGET<br>2006-2007 |
|-------|-------------------------------|---------------------------------|-----------------------|---------------------|
| 24    | CAPITAL PROJECTS FUND         | FIRE STATIONS                   | \$ 3,118,030          | \$ 8,985,654        |
|       |                               | AQUATIC/MULTI GEN CENTER        | 55,172                | 7,856,295           |
|       |                               | FUTS/OPEN SPACE LAND ACQ        | 1,403,453             | 1,422,321           |
|       |                               | USGS OFFICE/LAB BUILDING        | -                     | 1,000,680           |
|       |                               | BUSINESS INCUBATOR              | -                     | 3,364,919           |
|       |                               | ADULT CENTER RENOVATION         | -                     | 1,038,500           |
| 33    | STREET CONSTRUCTION           | CUMMINGS STREET                 | 82,932                | 82,932              |
|       |                               | RAILHEAD 4TH LEG AT 89N         | 282,878               | 557,348             |
|       |                               | RESERVE FOR IMPROVEMENTS        | -                     | 50,000              |
|       |                               | SIDEWALK REPLACEMENT PROG       | -                     | 15,000              |
|       |                               | STREET IMP PROGRAM              | -                     | 1,915,724           |
|       |                               | SUNNYSIDE PH.4                  | 409,507               | 1,439,282           |
|       |                               | TRAFFIC SIGNAL MODIFICA         | -                     | 100,000             |
|       |                               | RT 66 BUS PULLOUTS              | 4,960                 | 137,510             |
|       |                               | SOUTHSIDE TRAFFIC IMPROVEMENTS  | -                     | 300,000             |
| 34    | DRAINAGE                      | RIO DE FLAG FLOOD CONTROL       | 6,360,899             | 6,360,899           |
|       |                               | RIO PARKING REPLACEMENT         | 1,200,000             | 1,200,000           |
| 35    | 4TH STREET OVERPASS           | FOURTH ST RAIL CROSSING         | 2,840                 | 2,840               |
| 37    | AIRPORT CAPITAL PROJ          | GLYCOL RECOVERY APRON ARE       | -                     | 98,461              |
|       |                               | GLYCOL RECOVERY GEN AVIAT       | -                     | 297,265             |
|       |                               | AIRPORT SIGNAGE UPGRADE         | -                     | 45,000              |
|       |                               | JWP/PULLIAM WIDENING            | -                     | 836,256             |
|       |                               | DESIGN/CONSTR RUNWAY EXT.       | 4,683,235             | 7,100,000           |
|       |                               | ECHO-FOXTROT DRAINANGE          | -                     | 219,869             |
|       |                               | ARFF BUILDING                   | -                     | 13,159              |
|       |                               | PERIMETER ROAD CONSTRUCTIONS    | -                     | 960,000             |
| 41    | ENVIRONMENTAL SERVICES        | LANDFILL SITE IMPROVEMENT       | -                     | 80,000              |
|       |                               | RESIDENTIAL DROP OFF            | 81,164                | 81,164              |
|       |                               | BIODIESEL PUMPING STATION       | 14,000                | 14,000              |
|       |                               | OFFICE BUILDING IMPROVEMENTS    | 187,452               | 187,452             |
|       |                               | MAINTENANCE BUILDING            | 485,473               | 485,473             |
| 47    | LAKE MARY WATER PLANT         | LAND ACQUISITION                | -                     | 20,000              |
|       |                               | INNER BASIN PIPELINE            | 301,000               | 401,000             |
|       |                               | WATER PLANT REMODEL             | 193,125               | 193,125             |
|       |                               | RESERVOIR FILTRATION PLANT ROOF | 17,780                | 17,780              |
| 51    | BETTRMTS & IMP WATER DIST     | TALKINGTON/LYNN/ELZBTH WL       | 555,011               | 923,288             |
|       |                               | SUNNYSIDE W/L PH IV (UF)        | 557,046               | 1,269,546           |
|       |                               | CC COLLEGE/NAU WATERLINE        | 327,108               | 452,108             |
|       |                               | LM ROAD UTILITY RELOCATE        | 10,626                | 10,626              |
|       |                               | SUNNYSIDE WL PH V (UF)          | 557,046               | 1,658,447           |
|       |                               | FRANKLIN WATERLINE              | -                     | 232,336             |
|       |                               | RESERVE FOR IMPS (UF)           | 61,796                | 125,400             |
| 52    | BTRMTS & IMP WATER PRODUCTION | TOWN WELL #5                    | -                     | 110,000             |
|       |                               | FUTURE WATER ACQUISITIONS       | 7,079,775             | 7,114,700           |
|       |                               | WATER PRODUCTION WELLS BD       | 2,172,681             | 3,003,000           |
|       |                               | RAILROAD SPRINGS RESRVIOR       | 507,454               | 507,454             |
|       |                               | LM WELL #7 BLDG AND POWER       | 170,000               | 200,000             |
|       |                               | CHLORINE DIOXIDE                | -                     | 110,000             |
|       |                               | LM WELLFIED -LM#2 12"           | -                     | 389,365             |
|       |                               | LTESWTR EVALUATION              | -                     | 60,000              |
|       |                               | SOLAR BEES-2 UPPR LK MARY       | -                     | 100,000             |
|       |                               | USGS SURVEY                     | -                     | 161,000             |

Schedule 9: Capital Improvement Program

| DIV # | DIVISION                    | PROJECT                                | CARRYFWD<br>2005-2006 | BUDGET<br>2006-2007 |
|-------|-----------------------------|--|-----------------------|---------------------|
| 57    | WSTWTR TREATMENT IMP        | WC UPGRADE/RECLAIM CON(UF)             | 12,000,000            | 12,000,000          |
|       |                             | WC PRIMARY TANK PIPE HNGR              | 60,000                | 60,000              |
|       |                             | WC DIGESTER PIPE REPLACE               | 115,928               | 115,928             |
|       |                             | WC PRIMARY COATING                     | 173,891               | 173,891             |
|       |                             | WC PRIMARY REBUILD                     | 374,427               | 374,427             |
|       |                             | WC SEPTAGE TREATMENT                   | 316,650               | 316,650             |
|       |                             | PICTURE CANYON                         | -                     | 150,000             |
|       |                             | GREASE TREATMENT                       | -                     | 400,000             |
|       |                             | SOLAR BEES                             | -                     | 50,000              |
|       |                             | WILDCAT CRACK SEAL                     | -                     | 32,174              |
| 58    | WSTWTR COLLECTION IMPRV     | RECLAIM HYDRANTS                       | 160,000               | 130,000             |
|       |                             | XERISCAPE PROJECTS                     | 50,000                | 50,000              |
|       |                             | WALGREENS SEWER REPLACE                | 61,072                | 268,072             |
|       |                             | HUNTINGTON SEWER UPSIZE                | -                     | 303,544             |
|       |                             | CONTINENTAL OUTFALL SEWER              | -                     | 237,717             |
|       |                             | BUFFALO PK TK                          | -                     | 170,000             |
|       |                             | RESERVE FOR IMPS (UF)                  | -                     | 91,800              |
| 66    | NON-DEPARTMENTAL            | REDEVELOPMENT LAND ACQUISITION         | 2,095,053             | 3,221,053           |
| 74    | STREETSCAPE                 | SPECIAL PROJECTS                       | -                     | 50,000              |
|       |                             | HISTORIC FACADES & SIGNS               | 68,650                | 118,650             |
|       |                             | CITY GATEWAY SIGNS                     | 40,000                | 80,000              |
|       |                             | NEON CORRIDOR                          | -                     | 60,000              |
|       |                             | US 89 RAILHEAD TO SNOWFLK              | 972,498               | 1,069,648           |
|       |                             | REDEVELOPMENT OPPORTUNITY              | -                     | 100,000             |
|       |                             | E FLAG TI ADOT CORRIDOR                | 1,166,285             | 3,191,443           |
| 75    | FLAGSTAFF URBAN TRAIL       | SPECIAL PROJECTS                       | -                     | 58,000              |
|       |                             | SIGNAGE PROGRAM                        | 335,488               | 335,488             |
|       |                             | PRIVATE DEVELOPMENT                    | 150,000               | 150,000             |
|       |                             | MCMILLIAN MESA TRAILHEAD               | -                     | 50,000              |
|       |                             | RIO N CRESENT TO OBS MESA              | 231,315               | 262,400             |
|       |                             | FUTS FT VALLEY SECH-FREMT              | 535,650               | 538,851             |
|       |                             | McMILLIAN MESA SYSTEM                  | 75,268                | 78,877              |
|       |                             | RT66-RIO N TO SAN FRAN                 | 35,094                | 596,439             |
|       |                             | SANTA FE-W VILLAGE-WALNUT              | 183,000               | 910,743             |
|       |                             | SANTA FE W-WALNUT TO RIO               | 124,703               | 1,410,142           |
|       |                             | RIO NORTH BLUE WILLOW TO 180           | 130,000               | 353,019             |
|       |                             | LIL A                                  | -                     | 24,878              |
| 85    | VISITOR SERVICES            | VISITOR CENTER REPAIRS/REMODEL         | 199,537               | 199,537             |
| 91    | RECREATION-BBB TAX          | THORPE PARK                            | 1,747,965             | 4,809,145           |
| 92    | TRANSPORTATION CIP          | MISC SAFE TO SCHOOL PROJ               | 121,810               | 160,496             |
|       |                             | MISC BIKE/PED                          | 348,839               | 409,271             |
|       |                             | COUNTRY CLUB DRIVE                     | 26,000                | 70,000              |
|       |                             | TRANS. PLANNING & PROG.                | 35,171                | 145,175             |
|       |                             | HUNTINGTON DR IMPROVEMENT              | 665,888               | 1,548,188           |
|       |                             | EAST FLAGSTAFF GATEWAY                 | 6,099,464             | 6,100,000           |
|       |                             | BEULAH BLVD EXTENSIONS                 | -                     | 554,000             |
|       |                             | DNTN RAIL CROSSING MODIF               | 63,175                | 662,785             |
|       |                             | RESERVE FOR IMPROVEMENTS               | -                     | 25,000              |
|       |                             | LAKE MARY RD/FH 3                      | 45,795                | 45,795              |
|       |                             | BUTLER/FOURTH ST SIGNAL                | 165,637               | 237,807             |
|       |                             | I-40/FOURTH STREET TI PLANNING STUDIES | 50,000                | 50,000              |
|       |                             | COMMERCE AVE PAVING                    | 274,702               | 274,702             |
|       |                             | PRESTON RD PAVING                      | 95,559                | 95,559              |
|       |                             | INDUSTRIAL DR/FANNING WAS              | 393,113               | 470,064             |
|       |                             | BUTLER AVE WIDENING                    | 368,633               | 552,570             |
|       |                             | BRANDEN & GABEL PAVING                 | -                     | 49,662              |
|       |                             | WEST/SIXTH INTERSECTION                | -                     | 106,291             |
|       |                             | INDUSTRIAL: FANNING TO EA              | -                     | 726,932             |
|       |                             |  | -                     | -                   |
| 99    | STORMWATER CAPITAL PROJECTS | DRAINAGE SPOT IMPROVEMENT              | -                     | 250,000             |
|       |                             | SIXTH AVENUE DETENTION BASIN           | -                     | 5,000               |
|       |                             | ISABEL AFFORDABLE HOUSING DRAINAGE     | -                     | 20,000              |
|       |                             | Total                                  | \$ 61,038,703         | \$ 108,458,991      |

Schedule 10: Debt Service Requirements

CITY OF FLAGSTAFF  
DEBT SERVICE REQUIREMENTS  
FISCAL YEAR 2006-2007

|  | ORIGINAL<br>ISSUE     | OUTSTANDING<br>07/01/2006 | PRINCIPAL        | INTEREST         | FISCAL<br>CHARGES | TOTAL<br>REQUIREMENTS |
|--|-----------------------|---------------------------|------------------|------------------|-------------------|-----------------------|
| <b>GENERAL FUND [20]</b>                     |                       |                           |                  |                  |                   |                       |
| Existing Debt:                               |                       |                           |                  |                  |                   |                       |
| <b>OTHER DEBT</b>                            |                       |                           |                  |                  |                   |                       |
| USGS-Series 12                               | \$ 4,700,000          | 3,620,000                 | 295,000          | 164,199          | 3,240             | 462,439               |
| Capital Lease - APSES                        | 3,800,000             | 3,454,552                 | 357,222          | 113,772          | 500               | 471,494               |
|  | <u>8,500,000</u>      | <u>7,074,552</u>          | <u>652,222</u>   | <u>277,970</u>   | <u>3,740</u>      | <u>933,933</u>        |
| <b>STREETS FUND [36]</b>                     |                       |                           |                  |                  |                   |                       |
| Existing Debt:                               |                       |                           |                  |                  |                   |                       |
| Jr. Lien Rev Bonds, Series '92               | 5,580,000             | 5,580,000                 | -                | 341,673          | 1,500             | 343,173               |
| Series 2003 Revenue Bonds                    | 9,375,000             | 4,085,000                 | 1,940,000        | 127,913          | -                 | 2,067,913             |
|  | <u>14,955,000</u>     | <u>9,665,000</u>          | <u>1,940,000</u> | <u>469,586</u>   | <u>1,500</u>      | <u>2,411,086</u>      |
| <b>4TH STREET [87]</b>                       |                       |                           |                  |                  |                   |                       |
| Existing Debt:                               |                       |                           |                  |                  |                   |                       |
| 2003 MFC Revenue Bonds                       | 25,000,000            | 21,990,000                | 1,000,000        | 964,600          | 4,500             | 1,969,100             |
|  | <u>25,000,000</u>     | <u>21,990,000</u>         | <u>1,000,000</u> | <u>964,600</u>   | <u>4,500</u>      | <u>1,969,100</u>      |
| <b>GENERAL OBLIGATION BOND FUND [70,24]</b>  |                       |                           |                  |                  |                   |                       |
| Existing Debt:                               |                       |                           |                  |                  |                   |                       |
| G.O. Series 2001 Parks & Recreation          | 3,100,000             | 3,100,000                 | -                | 141,001          | -                 | 141,001               |
| G.O. Series 2003 Refunding                   | 720,000               | 720,000                   | 465,000          | 22,238           | 195               | 487,433               |
| G.O. Series 2006 Capital Projects            | 31,500,000            | 29,055,000                | 1,180,000        | 1,300,969        | 2,305             | 2,483,274             |
| Proposed MFC Bonds                           | 4,615,599             | -                         | -                | -                | -                 | -                     |
|  | <u>39,935,599</u>     | <u>32,875,000</u>         | <u>1,645,000</u> | <u>1,464,208</u> | <u>2,500</u>      | <u>3,111,708</u>      |
| <b>SPECIAL ASSESSMENT DISTRICT [96]</b>      |                       |                           |                  |                  |                   |                       |
| Existing Debt:                               |                       |                           |                  |                  |                   |                       |
| Bow and Arrow (002)                          | 720,000               | 340,000                   | 76,000           | 14,799           | 648               | 91,447                |
|  | <u>720,000</u>        | <u>340,000</u>            | <u>76,000</u>    | <u>14,799</u>    | <u>648</u>        | <u>91,447</u>         |
| <b>WATER AND<br/>WASTEWATER FUND [59,60]</b> |                       |                           |                  |                  |                   |                       |
| Existing Debt:                               |                       |                           |                  |                  |                   |                       |
| G.O. Series '91B                             | 924,240               | 534,340                   | 409,726          | 36,676           | 650               | 447,052               |
| G.O. Bonds '97                               | 8,000,000             | 1,680,000                 | -                | 75,600           | 300               | 75,900                |
| G.O. Series 2001                             | 13,808,000            | 6,203,000                 | 1,653,000        | 310,154          | 1,590             | 1,964,744             |
| G.O. Series 2003                             | 8,230,000             | 7,075,000                 | 675,000          | 228,250          | 500               | 903,750               |
| Wastewater Revolving Debt - 1992 (WIFA)      | 6,000,000             | 2,236,830                 | 342,335          | 76,097           | 6,711             | 425,142               |
| 2002 Water Revenue Bonds (WIFA)              | 6,775,760             | 5,770,075                 | 274,108          | 204,693          | -                 | 478,801               |
| Proposed Water Revenue Bonds                 | 46,600,000            | -                         | -                | 862,500          | 994               | 863,494               |
|  | <u>90,338,000</u>     | <u>23,499,245</u>         | <u>3,354,169</u> | <u>1,793,971</u> | <u>10,745</u>     | <u>5,158,884</u>      |
| <b>AIRPORT FUND [39]</b>                     |                       |                           |                  |                  |                   |                       |
| Existing Debt:                               |                       |                           |                  |                  |                   |                       |
| G.O. Series 2001                             | 2,062,000             | 927,000                   | 247,000          | 46,346           | 83                | 293,429               |
| Other debt - Lease Purchase - Hangars        | 2,782,598             | 2,651,651                 | 84,809           | 146,927          | 0                 | 231,736               |
| Other debt - Loan - Hangars                  | 600,000               | 433,993                   | 31,295           | 23,654           | 0                 | 54,949                |
|  | <u>5,444,598</u>      | <u>4,012,644</u>          | <u>363,104</u>   | <u>216,927</u>   | <u>83</u>         | <u>580,114</u>        |
| <b>Total Debt Service Requirements</b>       | <b>\$ 184,893,197</b> | <b>99,456,442</b>         | <b>9,030,495</b> | <b>5,202,061</b> | <b>23,716</b>     | <b>14,256,272</b>     |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
GENERAL FUND  
FIVE YEAR PLAN 2007-2012

|  | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008         | 2008-2009         | 2009-2010         | 2010-2011         | 2011-2012         |
|--|---------------------|---------------------|-----------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Sources of Funds</b>                  |                     |                     |                       |                     |                   |                   |                   |                   |                   |
| Beginning Fund Balance                   | \$ 21,872,438       | 22,526,372          | 23,940,462            | 24,344,560          | 11,090,952        | 7,666,672         | 8,495,629         | 9,739,034         | 10,403,098        |
| <b>Revenues</b>                          |                     |                     |                       |                     |                   |                   |                   |                   |                   |
| <b>Taxes</b>                             |                     |                     |                       |                     |                   |                   |                   |                   |                   |
| Sales Tax                                | 12,976,931          | 13,072,172          | 14,115,905            | 15,333,155          | 16,622,837        | 17,869,421        | 18,513,125        | 19,216,392        | 19,698,783        |
| Property Tax                             | 3,618,849           | 4,069,597           | 4,172,330             | 4,654,071           | 4,817,346         | 4,985,953         | 5,160,461         | 5,341,077         | 5,528,015         |
| Franchise Fees                           | 1,925,231           | 1,850,000           | 1,850,000             | 1,961,250           | 2,010,281         | 2,060,538         | 2,112,051         | 2,164,852         | 2,218,973         |
| <b>Intergovernmental Revenues</b>        |                     |                     |                       |                     |                   |                   |                   |                   |                   |
| State Shared Income Tax                  | 4,918,476           | 5,535,781           | 5,535,781             | 6,771,938           | 7,320,465         | 7,810,936         | 8,342,080         | 8,592,342         | 8,592,342         |
| State Shared Sales Tax                   | 4,900,116           | 5,181,305           | 5,681,000             | 5,965,050           | 6,263,303         | 6,451,202         | 6,644,738         | 6,850,725         | 6,850,725         |
| Auto Lieu Tax                            | 2,461,425           | 2,550,000           | 2,550,000             | 2,601,000           | 2,653,020         | 2,706,080         | 2,760,202         | 2,815,406         | 2,871,714         |
| Federal Grants                           | 173,482             | 1,298,218           | 1,244,334             | 2,026,196           | 290,718           | 297,986           | 305,436           | 313,072           | 320,899           |
| State Grants                             | 1,110,117           | 443,609             | 407,406               | 723,337             | 254,431           | 243,777           | 151,428           | 155,327           | 159,431           |
| County IGA                               | 557,820             | 570,575             | 570,575               | 584,840             | 599,461           | 614,448           | 629,809           | 645,554           | 661,693           |
| <b>License &amp; Permits</b>             |                     |                     |                       |                     |                   |                   |                   |                   |                   |
| Business Licenses                        | 30,335              | 39,128              | 39,128                | 41,084              | 43,138            | 45,295            | 47,560            | 49,938            | 52,435            |
| Building Permits                         | 1,741,938           | 1,854,886           | 2,300,000             | 2,300,000           | 2,000,000         | 2,080,000         | 2,163,200         | 2,249,728         | 2,339,717         |
| Other Licenses and Permits               | 291,445             | 241,225             | 488,560               | 246,699             | 257,696           | 269,243           | 281,368           | 294,099           | 307,466           |
| <b>Charges for Services</b>              |                     |                     |                       |                     |                   |                   |                   |                   |                   |
| General Government                       | 339,182             | 217,276             | 353,276               | 728,440             | 764,863           | 803,105           | 843,261           | 885,423           | 929,694           |
| Parks and Recreation                     | 553,680             | 505,651             | 490,701               | 568,158             | 616,833           | 642,878           | 670,129           | 698,645           | 728,495           |
| Public Safety                            | 498,505             | 667,187             | 713,710               | 609,993             | 703,220           | 706,576           | 710,066           | 673,695           | 677,471           |
| Cemetery                                 | 127,060             | 128,828             | 128,828               | 135,269             | 142,033           | 149,135           | 156,592           | 164,422           | 172,643           |
| <b>Fines &amp; Forfeitures</b>           |                     |                     |                       |                     |                   |                   |                   |                   |                   |
| Court Fines                              | 943,252             | 865,423             | 865,423               | 879,193             | 893,357           | 907,931           | 922,932           | 938,380           | 954,294           |
| Other Fines                              | 126,310             | 127,696             | 133,096               | 130,508             | 133,395           | 136,360           | 139,405           | 142,532           | 145,745           |
| <b>Other Revenue</b>                     |                     |                     |                       |                     |                   |                   |                   |                   |                   |
| Interest Earnings                        | 597,205             | 500,000             | 693,000               | 511,798             | 524,593           | 537,708           | 551,150           | 564,929           | 579,052           |
| Miscellaneous                            | 1,258,255           | 1,060,878           | 1,161,290             | 1,632,131           | 1,316,492         | 1,295,394         | 1,322,094         | 1,349,476         | 1,227,558         |
| <b>Total Revenues</b>                    | <b>39,149,614</b>   | <b>40,779,435</b>   | <b>43,494,343</b>     | <b>48,404,110</b>   | <b>48,227,481</b> | <b>50,613,965</b> | <b>52,427,087</b> | <b>54,106,015</b> | <b>55,017,145</b> |
| <b>Transfers In</b>                      |                     |                     |                       |                     |                   |                   |                   |                   |                   |
| Library                                  | -                   | 328,391             | 78,391                | 328,391             | 78,391            | 78,391            | 78,391            | 78,391            | 78,391            |
| HURF                                     | 61,059              | 85,401              | 85,401                | 85,401              | 85,401            | 85,401            | 85,401            | 85,401            | 85,401            |
| Beautification                           | 167,201             | 170,201             | 170,201               | 175,201             | 180,301           | 185,554           | 190,965           | 196,537           | 202,278           |
| Tourism                                  | 6,238               | 6,847               | 6,847                 | 6,847               | 6,847             | 6,847             | 6,847             | 6,847             | 6,847             |
| Visitor Center                           | -                   | 2,590               | 2,590                 | 2,590               | 2,590             | 2,590             | 2,590             | 2,590             | 2,590             |
| Recreation-BBB                           | 591,418             | 812,891             | 753,000               | 947,400             | 990,222           | 1,044,049         | 1,086,779         | 1,118,390         | 1,150,911         |
| Real Estate Proceeds                     | -                   | -                   | -                     | 1,126,000           | -                 | -                 | -                 | -                 | -                 |
| Utilities fund                           | 2,398,830           | 2,575,579           | 2,575,579             | 2,568,880           | 1,970,366         | 1,962,991         | 1,958,565         | 1,968,885         | 1,978,305         |
| Airport                                  | -                   | 33,567              | 33,567                | 33,567              | 33,567            | 33,567            | 33,567            | 33,567            | 33,567            |
| Environmental Services                   | 4,678               | 19,488              | 19,488                | 19,488              | 19,488            | 19,488            | 19,488            | 19,488            | 19,488            |
| <b>Total Transfers In</b>                | <b>3,229,424</b>    | <b>4,034,955</b>    | <b>3,725,064</b>      | <b>5,293,765</b>    | <b>3,367,173</b>  | <b>3,418,878</b>  | <b>3,462,592</b>  | <b>3,510,096</b>  | <b>3,557,778</b>  |
| <b>Total Revenues &amp; Transfers In</b> | <b>42,379,038</b>   | <b>44,814,390</b>   | <b>47,219,407</b>     | <b>53,697,875</b>   | <b>51,594,655</b> | <b>54,032,843</b> | <b>55,889,680</b> | <b>57,616,111</b> | <b>58,574,922</b> |
| <b>Total Sources of Funds</b>            | <b>64,251,476</b>   | <b>67,340,762</b>   | <b>71,159,869</b>     | <b>78,042,435</b>   | <b>62,685,607</b> | <b>61,699,515</b> | <b>64,385,309</b> | <b>67,355,145</b> | <b>68,978,020</b> |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
GENERAL FUND  
FIVE YEAR PLAN 2007-2012

| Uses of Funds                           | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008   | 2008-2009   | 2009-2010   | 2010-2011   | 2011-2012   |
|---|---------------------|---------------------|-----------------------|---------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Departments</b>                      |                     |                     |                       |                     |             |             |             |             |             |
| General Administration                  | 4,230,488           | 5,177,440           | 4,981,143             | 5,770,417           | 5,936,306   | 6,071,118   | 6,330,918   | 6,403,136   | 6,674,316   |
| Management Services                     | 3,422,935           | 3,503,470           | 3,353,707             | 4,028,404           | 4,134,753   | 4,181,003   | 4,294,154   | 4,410,369   | 4,529,733   |
| Community Development                   | 3,458,837           | 4,010,404           | 3,547,080             | 4,662,819           | 4,650,389   | 4,837,622   | 4,969,133   | 5,104,222   | 5,242,987   |
| Fire                                    | 7,252,065           | 7,841,381           | 7,870,664             | 8,757,924           | 8,962,528   | 9,331,698   | 9,588,119   | 9,851,592   | 10,122,311  |
| Police                                  | 11,884,761          | 13,761,970          | 13,487,114            | 14,594,428          | 14,686,339  | 15,271,867  | 15,686,823  | 16,113,065  | 16,550,900  |
| Public Works                            | 5,070,462           | 6,069,884           | 5,669,891             | 7,547,265           | 6,744,535   | 6,992,142   | 7,186,969   | 7,388,748   | 7,596,528   |
| Non-Departmental                        | 2,493,284           | 3,538,214           | 2,307,204             | 4,341,130           | 2,297,035   | 1,833,704   | 1,854,619   | 1,876,075   | 1,898,086   |
| Contingency                             | 5,821               | 530,000             | 280,000               | 500,000             | 250,000     | 250,000     | 250,000     | 250,000     | 250,000     |
| Less Indirect Charges                   | (4,783,904)         | (5,229,233)         | (5,215,016)           | (5,663,666)         | (5,663,666) | (5,663,666) | (5,663,666) | (5,663,666) | (5,663,666) |
| Total Department Expenditures           | 33,034,749          | 39,203,530          | 36,281,787            | 44,538,721          | 41,998,219  | 43,105,488  | 44,497,069  | 45,733,541  | 47,201,195  |
| <b>Debt Service</b>                     |                     |                     |                       |                     |             |             |             |             |             |
| Leases                                  | 64,220              | 470,993             | 470,993               | 471,494             | 491,532     | 512,422     | 512,422     | 512,422     | 512,422     |
| Bonds                                   | 464,389             | 463,839             | 463,839               | 462,439             | 462,399     | 459,534     | 460,614     | 460,371     | 459,446     |
| Total Debt Service                      | 528,609             | 934,832             | 934,832               | 933,933             | 953,931     | 971,956     | 973,036     | 972,793     | 971,868     |
| Total Operating Budget                  | 33,563,358          | 40,138,362          | 37,216,619            | 45,472,654          | 42,952,150  | 44,077,444  | 45,470,105  | 46,706,334  | 48,173,063  |
| <b>Revised service Levels</b>           |                     |                     |                       |                     |             |             |             |             |             |
| New Staffing and revised service level: | -                   | -                   | -                     | -                   | 350,000     | 758,750     | 1,277,719   | 1,709,662   | 1,756,677   |
| AMC staffing                            | -                   | -                   | -                     | -                   | 1,153,567   | 1,185,290   | 1,217,886   | 1,251,377   | 1,285,790   |
| AMC revenue                             | -                   | -                   | -                     | -                   | (500,000)   | (500,000)   | (500,000)   | (500,000)   | (500,000)   |
| AMC operating                           | -                   | -                   | -                     | -                   | 469,000     | 481,898     | 495,150     | 508,766     | 522,757     |
| Total Revised Service Levels            | -                   | -                   | -                     | -                   | 1,472,567   | 1,925,938   | 2,490,754   | 2,969,805   | 3,065,225   |
| <b>Capital/CIP</b>                      |                     |                     |                       |                     |             |             |             |             |             |
| Fleet                                   | 235,901             | 1,095,325           | 878,611               | 1,041,216           | 384,329     | 421,917     | 331,466     | 949,363     | 1,019,009   |
| Information Technology                  | 711,672             | 1,079,000           | 714,100               | 2,060,754           | 1,338,174   | 880,000     | 924,734     | 969,734     | 1,018,434   |
| Capital Improvement Projects            | 200,243             | 37,243              | 37,243                | 3,221,053           | 535,000     | 535,000     | 535,000     | 535,000     | 535,000     |
| Operating Capital                       | 674,705             | 587,574             | 778,888               | 2,191,466           | 320,000     | 360,000     | 320,000     | 280,000     | 280,000     |
| Total Capital/CIP                       | 1,822,521           | 2,799,142           | 2,408,842             | 8,514,489           | 2,577,503   | 2,196,917   | 2,111,200   | 2,734,097   | 2,852,443   |
| <b>Transfers Out</b>                    |                     |                     |                       |                     |             |             |             |             |             |
| Library                                 | 1,174,937           | 1,204,310           | 1,204,310             | 1,445,706           | 1,470,532   | 1,504,514   | 1,544,681   | 1,585,956   | 1,628,369   |
| MPO                                     | 15,000              | 25,000              | 25,000                | 25,000              | 30,000      | 30,000      | 30,000      | 30,000      | 30,000      |
| Hurf                                    | 2,398,830           | 4,187,785           | 4,187,785             | 2,680,723           | 2,081,423   | 1,804,723   | 1,800,135   | 1,810,455   | 1,819,875   |
| Beautification                          | -                   | 85,650              | 85,650                | -                   | -           | -           | -           | -           | -           |
| Economic Development                    | 65,000              | 50,000              | 12,000                | 131,000             | 186,000     | 176,000     | 165,000     | 154,000     | 151,000     |
| Arts and Science                        | 35,000              | 35,000              | 35,000                | 35,000              | 35,000      | 35,000      | 35,000      | 35,000      | 35,000      |
| Recreation -BBB                         | -                   | -                   | -                     | 650,000             | -           | -           | -           | -           | -           |
| Real Estate Proceeds                    | -                   | 150,000             | 150,000               | -                   | -           | -           | -           | -           | -           |
| Housing and Community Svcs              | 375,400             | 375,400             | 375,400               | 341,953             | 328,400     | 328,400     | 328,400     | 328,400     | 328,400     |
| Airport                                 | 450,000             | 339,500             | 218,000               | 580,000             | 562,000     | 558,000     | 671,000     | 598,000     | 629,000     |
| Stormwater                              | 410,968             | 7,820,318           | 1,096,704             | 7,042,458           | 3,258,360   | 500,000     | -           | -           | -           |
| Environmental Services                  | -                   | -                   | -                     | 32,500              | 65,000      | 66,950      | -           | -           | -           |
| Total Transfers Out                     | 4,925,135           | 14,272,963          | 7,389,849             | 12,964,340          | 8,016,715   | 5,003,587   | 4,574,216   | 4,541,811   | 4,621,644   |
| Excess revenues over expenditures       | 2,068,024           | (12,396,077)        | 204,097               | (13,253,608)        | (3,424,280) | 828,958     | 1,243,405   | 664,064     | (137,453)   |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
GENERAL FUND  
FIVE YEAR PLAN 2007-2012

|                                 | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008  | 2008-2009  | 2009-2010  | 2010-2011  | 2011-2012  |
|---------------------------------|---------------------|---------------------|-----------------------|---------------------|------------|------------|------------|------------|------------|
| One Time Projects               |                     |                     |                       |                     |            |            |            |            |            |
| Land Acquisition/Facility Needs | -                   | 2,095,053           | -                     | -                   | -          | -          | -          | -          | -          |
| LERDS and Construction          | -                   | (200,000)           | (200,000)             | -                   | -          | -          | -          | -          | -          |
| Total One Time Projects         | -                   | 1,895,053           | (200,000)             | -                   | -          | -          | -          | -          | -          |
| <b>Total Uses of Funds</b>      | 40,311,014          | 59,105,520          | 46,815,310            | 66,951,483          | 55,018,935 | 53,203,886 | 54,646,275 | 56,952,047 | 58,712,375 |
| <b>Ending Fund Balance</b>      | \$ 23,940,462       | 8,235,242           | 24,344,560            | 11,090,952          | 7,666,672  | 8,495,629  | 9,739,034  | 10,403,098 | 10,265,645 |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
LIBRARY FUND  
FIVE YEAR PLAN 2007-2012

|   | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008        | 2008-2009        | 2009-2010        | 2010-2011        | 2011-2012        |
|---|---------------------|---------------------|-----------------------|---------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Sources of Funds</b>                       |                     |                     |                       |                     |                  |                  |                  |                  |                  |
| <b>Beginning Fund Balance</b>                 | \$ 825,016          | 853,588             | 633,768               | 659,214             | 174,013          | 170,816          | 179,299          | 192,488          | 209,132          |
| Revenues                                      |                     |                     |                       |                     |                  |                  |                  |                  |                  |
| State Grants                                  | 44,792              | 25,000              | 36,072                | -                   | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          |
| Library District Taxes                        | 2,036,500           | 2,993,396           | 2,125,984             | 3,101,501           | 2,283,922        | 2,336,164        | 2,388,462        | 2,440,817        | 2,493,231        |
| Interest Earnings                             | 39,571              | 21,000              | 30,000                | 21,000              | 21,000           | 21,000           | 21,000           | 21,000           | 21,000           |
| Miscellaneous                                 | 36,496              | 354,000             | 114,000               | 269,000             | 29,000           | 29,000           | 29,000           | 29,000           | 29,000           |
| <b>Total Revenues</b>                         | <b>2,157,359</b>    | <b>3,393,396</b>    | <b>2,306,056</b>      | <b>3,391,501</b>    | <b>2,433,922</b> | <b>2,486,164</b> | <b>2,538,462</b> | <b>2,590,817</b> | <b>2,643,231</b> |
| Transfers In                                  |                     |                     |                       |                     |                  |                  |                  |                  |                  |
| General Fund                                  | 1,174,937           | 1,204,310           | 1,204,310             | 1,445,706           | 1,470,532        | 1,504,514        | 1,544,681        | 1,585,956        | 1,628,369        |
| <b>Total Transfers In</b>                     | <b>1,174,937</b>    | <b>1,204,310</b>    | <b>1,204,310</b>      | <b>1,445,706</b>    | <b>1,470,532</b> | <b>1,504,514</b> | <b>1,544,681</b> | <b>1,585,956</b> | <b>1,628,369</b> |
| <b>Total Sources of Funds</b>                 | <b>4,157,312</b>    | <b>5,451,294</b>    | <b>4,144,134</b>      | <b>5,496,421</b>    | <b>4,078,468</b> | <b>4,161,494</b> | <b>4,262,442</b> | <b>4,369,261</b> | <b>4,480,732</b> |
| <b>Uses of Funds</b>                          |                     |                     |                       |                     |                  |                  |                  |                  |                  |
| Departments                                   |                     |                     |                       |                     |                  |                  |                  |                  |                  |
| Library                                       | 2,446,825           | 2,661,859           | 2,609,281             | 3,014,022           | 2,995,827        | 3,057,026        | 3,131,108        | 3,207,262        | 3,285,546        |
| Library Grants                                | 44,790              | 25,000              | 36,072                | -                   | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          |
| Indirect Costs                                | 358,443             | 390,748             | 390,748               | 433,276             | 444,108          | 455,211          | 466,591          | 478,256          | 490,212          |
| <b>Subtotal Departments</b>                   | <b>2,850,058</b>    | <b>3,077,607</b>    | <b>3,036,101</b>      | <b>3,447,298</b>    | <b>3,539,935</b> | <b>3,612,237</b> | <b>3,697,699</b> | <b>3,785,518</b> | <b>3,875,758</b> |
| County Wide Projects & Growth                 | 431,601             | 1,161,732           | 369,320               | 1,101,219           | 264,325          | 266,567          | 268,865          | 271,220          | 273,634          |
| <b>Subtotal County Wide Proj &amp; Growth</b> | <b>431,601</b>      | <b>1,161,732</b>    | <b>369,320</b>        | <b>1,101,219</b>    | <b>264,325</b>   | <b>266,567</b>   | <b>268,865</b>   | <b>271,220</b>   | <b>273,634</b>   |
| <b>Total Operating Expenditures</b>           | <b>3,281,659</b>    | <b>4,239,339</b>    | <b>3,405,421</b>      | <b>4,548,517</b>    | <b>3,804,261</b> | <b>3,878,804</b> | <b>3,966,564</b> | <b>4,056,738</b> | <b>4,149,392</b> |
| Contingency                                   | -                   | 100,000             | -                     | 100,000             | -                | -                | -                | -                | -                |
| Library Capital                               | 241,885             | 325,000             | 1,108                 | 345,500             | 25,000           | 25,000           | 25,000           | 25,000           | 25,000           |
| Transfer Out                                  | -                   | 328,391             | 78,391                | 328,391             | 78,391           | 78,391           | 78,391           | 78,391           | 78,391           |
| <b>Total Uses of Funds</b>                    | <b>3,523,544</b>    | <b>4,992,730</b>    | <b>3,484,920</b>      | <b>5,322,408</b>    | <b>3,907,652</b> | <b>3,982,195</b> | <b>4,069,955</b> | <b>4,160,129</b> | <b>4,252,783</b> |
| <b>Ending Fund Balance</b>                    | <b>\$ 633,768</b>   | <b>458,564</b>      | <b>659,214</b>        | <b>174,013</b>      | <b>170,816</b>   | <b>179,299</b>   | <b>192,488</b>   | <b>209,132</b>   | <b>227,949</b>   |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
HIGHWAY USER FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008  | 2008-2009  | 2009-2010  | 2010-2011  | 2011-2012  |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|------------|------------|------------|------------|------------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |            |            |            |            |            |
| <b>Beginning Fund Balance</b> | \$ 4,875,385        | 7,431,091           | 8,970,750             | 7,751,055           | 3,394,807  | 3,934,970  | 3,809,981  | 3,343,860  | 3,777,644  |
| <b>Revenues</b>               |                     |                     |                       |                     |            |            |            |            |            |
| Intergovernmental Revenues    | 2,000,000           | 1,876,326           | 818,690               | 137,510             | -          | -          | -          | -          | -          |
| Highway User Revenues         | 7,171,383           | 7,436,000           | 7,436,000             | 7,659,080           | 7,888,852  | 8,125,518  | 8,369,284  | 8,620,362  | 8,878,973  |
| LTA                           | 313,843             | 300,246             | 300,246               | 300,246             | 300,246    | 300,246    | 300,246    | 300,246    | 300,246    |
| Interest Revenues             | 165,963             | 41,000              | 206,000               | 194,000             | 85,000     | 98,000     | 95,000     | 84,000     | 94,000     |
| Miscellaneous Revenues        | 659,099             | 2,911,261           | 150,000               | 3,820,000           | 1,000,000  | -          | -          | -          | 150,000    |
| Total Revenues                | 10,310,288          | 12,564,833          | 8,910,936             | 12,110,836          | 9,274,091  | 8,523,764  | 8,764,521  | 9,004,608  | 9,423,219  |
| <b>Transfers In</b>           |                     |                     |                       |                     |            |            |            |            |            |
| General Fund                  | 2,398,830           | 4,187,785           | 4,187,785             | 2,680,723           | 2,081,423  | 1,804,723  | 1,800,135  | 1,810,455  | 1,819,875  |
| Stormwater                    | 47,000              | 135,000             | 135,000               | 135,000             | 135,000    | 135,000    | 135,000    | 135,000    | 135,000    |
| Fourth Street                 | -                   | 200,005             | 200,000               | -                   | -          | -          | -          | -          | -          |
| Transportation Tax            | 4,845,432           | 5,575,051           | 1,669,599             | 6,384,297           | 4,277,300  | 4,147,200  | 4,288,600  | 2,726,600  | 4,035,000  |
| Total Transfers in            | 7,291,258           | 10,097,836          | 6,192,379             | 9,200,020           | 6,493,716  | 6,086,915  | 6,203,726  | 4,672,045  | 5,989,864  |
| <b>Total Sources of Funds</b> | 22,476,931          | 30,093,760          | 24,074,065            | 29,061,911          | 19,162,614 | 18,545,649 | 18,778,228 | 17,020,513 | 19,190,727 |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |            |            |            |            |            |
| <b>Departments</b>            |                     |                     |                       |                     |            |            |            |            |            |
| Operating Expenditures        | 2,813,106           | 3,159,925           | 2,603,809             | 3,351,556           | 3,437,603  | 3,526,379  | 3,607,093  | 3,689,946  | 3,774,995  |
| Indirect Cost                 | 1,502,607           | 1,770,948           | 1,770,948             | 1,757,968           | 1,801,917  | 1,846,965  | 1,893,139  | 1,940,467  | 1,988,979  |
| Capital Expenditures          | 6,652,101           | 18,403,014          | 8,595,067             | 17,961,093          | 7,991,300  | 7,372,200  | 7,948,600  | 5,616,600  | 7,010,000  |
| Reserves/Contingencies        | 3,478               | 100,000             | -                     | 100,000             | 100,000    | 100,000    | 100,000    | 100,000    | 100,000    |
| Total Expenditures            | 10,971,292          | 23,433,887          | 12,969,824            | 23,170,617          | 13,330,820 | 12,845,544 | 13,548,832 | 11,347,013 | 12,873,974 |
| <b>Debt Service</b>           |                     |                     |                       |                     |            |            |            |            |            |
| Debt Service                  | 2,398,830           | 2,417,785           | 2,417,785             | 2,411,086           | 1,811,423  | 1,804,723  | 1,800,135  | 1,810,455  | 1,819,875  |
| Total Debt Service            | 2,398,830           | 2,417,785           | 2,417,785             | 2,411,086           | 1,811,423  | 1,804,723  | 1,800,135  | 1,810,455  | 1,819,875  |
| <b>Transfers Out</b>          |                     |                     |                       |                     |            |            |            |            |            |
| Storm Water                   | 75,000              | 850,000             | 850,000               | -                   | -          | -          | -          | -          | -          |
| General Fund                  | 61,059              | 285,401             | 85,401                | 85,401              | 85,401     | 85,401     | 85,401     | 85,401     | 85,401     |
| Total Transfers Out           | 136,059             | 1,135,401           | 935,401               | 85,401              | 85,401     | 85,401     | 85,401     | 85,401     | 85,401     |
| <b>Total Uses of Funds</b>    | 13,506,181          | 26,987,073          | 16,323,010            | 25,667,104          | 15,227,644 | 14,735,668 | 15,434,368 | 13,242,869 | 14,779,250 |
| <b>Ending Fund Balance</b>    | \$ 8,970,750        | 3,106,687           | 7,751,055             | 3,394,807           | 3,934,970  | 3,809,981  | 3,343,860  | 3,777,644  | 4,411,477  |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
TRANSPORTATION FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008  | 2008-2009  | 2009-2010  | 2010-2011  | 2011-2012  |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|------------|------------|------------|------------|------------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |            |            |            |            |            |
| <b>Beginning Fund Balance</b> | \$ 21,996,770       | 9,276,586           | 11,897,873            | 8,459,852           | 4,833,737  | 5,137,599  | 5,855,405  | 6,798,878  | 9,244,479  |
| Revenues                      |                     |                     |                       |                     |            |            |            |            |            |
| Sales Tax                     | 7,898,607           | 8,123,048           | 8,251,863             | 8,746,589           | 9,638,202  | 9,966,957  | 10,465,306 | 10,988,570 | 11,061,707 |
| Bond Proceeds                 | -                   | -                   | -                     | -                   | -          | -          | -          | -          | -          |
| Interest Revenues             | 369,375             | 231,000             | 268,000               | 211,000             | 121,000    | 129,000    | 146,000    | 193,000    | 237,000    |
| Miscellaneous Revenues        | 6,504               | 6,000,000           | 6,000,000             | -                   | -          | -          | -          | -          | -          |
| Total Revenues                | 8,274,486           | 14,354,048          | 14,519,863            | 8,957,589           | 9,759,202  | 10,095,957 | 10,611,306 | 11,181,570 | 11,298,707 |
| Transfers In                  |                     |                     |                       |                     |            |            |            |            |            |
| Beautification                | 250,000             | -                   | -                     | -                   | -          | -          | -          | -          | -          |
| Total Transfers In            | 250,000             | -                   | -                     | -                   | -          | -          | -          | -          | -          |
| <b>Total Sources of Funds</b> | 30,521,256          | 23,630,634          | 26,417,736            | 17,417,441          | 14,592,939 | 15,233,556 | 16,466,711 | 17,980,448 | 20,543,186 |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |            |            |            |            |            |
| Departments                   |                     |                     |                       |                     |            |            |            |            |            |
| Operating                     |                     |                     |                       |                     |            |            |            |            |            |
| Transit                       | 1,864,004           | 2,630,156           | 3,250,000             | 2,762,433           | 2,530,940  | 2,644,101  | 2,589,033  | 3,199,666  | 3,199,666  |
| Capital Expenditures          |                     |                     |                       |                     |            |            |            |            |            |
| 4th Street Overpass           | 8,874,347           | 10,121,685          | 10,121,685            | 2,840               | -          | -          | -          | -          | -          |
| Total Expenditures            | 10,738,351          | 12,751,841          | 13,371,685            | 2,765,273           | 2,530,940  | 2,644,101  | 2,589,033  | 3,199,668  | 3,199,668  |
| Transfers Out                 |                     |                     |                       |                     |            |            |            |            |            |
| Highway User Revenue Fund     | 4,845,432           | 5,775,051           | 1,869,599             | 6,384,297           | 4,277,300  | 4,237,200  | 4,268,600  | 2,726,600  | 4,035,000  |
| Stormwater                    | -                   | 175,000             | 175,000               | -                   | -          | -          | -          | -          | -          |
| Beautification Fund           | 1,000,000           | 550,000             | 550,000               | 1,416,000           | 550,000    | 550,000    | 550,000    | 550,000    | 550,000    |
| BBB-Recreation                | -                   | -                   | -                     | 234,000             | -          | -          | -          | -          | -          |
| Total Transfers Out           | 5,845,432           | 6,500,051           | 2,594,599             | 8,034,297           | 4,827,300  | 4,787,200  | 4,818,600  | 3,276,600  | 4,585,000  |
| Total Debt Service            | 2,039,600           | 1,991,600           | 1,991,600             | 1,969,100           | 1,947,100  | 1,946,850  | 2,260,200  | 2,259,700  | 2,260,513  |
| <b>Total Use of Funds</b>     | 18,623,383          | 21,243,492          | 17,957,884            | 12,768,670          | 9,305,340  | 9,378,151  | 9,667,833  | 8,735,968  | 10,045,181 |
| <b>Ending Fund Balance</b>    | \$ 11,897,873       | 2,387,142           | 8,459,852             | 4,648,771           | 5,287,598  | 5,855,404  | 6,798,877  | 9,244,479  | 10,498,004 |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
BEAUTIFICATION FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |           |           |           |           |           |
| <b>Beginning Fund Balance</b> | \$ 2,241,032        | 2,592,954           | 2,365,413             | 2,505,716           | 103,008   | 379,798   | 459,387   | 448,491   | 709,795   |
| Revenues                      |                     |                     |                       |                     |           |           |           |           |           |
| Intergovernmental Revenue     | -                   | 2,423,512           | 69,642                | 4,817,744           | 743,633   | -         | -         | -         | -         |
| BBB Tax Revenue               | 857,997             | 863,378             | 895,747               | 931,577             | 1,024,734 | 1,064,529 | 1,105,879 | 1,150,114 | 1,178,867 |
| Interest Earnings             | 36,565              | 48,097              | 48,097                | 49,300              | 50,532    | 51,795    | 53,090    | 54,417    | 55,778    |
| Miscellaneous                 | 13,100              | 13,100              | 13,100                | -                   | 87,500    | -         | -         | -         | -         |
| Total Revenues                | 907,661             | 3,348,087           | 1,026,586             | 5,798,621           | 1,906,399 | 1,116,324 | 1,158,969 | 1,204,531 | 1,234,645 |
| Transfers In                  |                     |                     |                       |                     |           |           |           |           |           |
| General Fund                  | -                   | 85,650              | 85,650                | -                   | -         | -         | -         | -         | -         |
| Transportation Tax-STs        | 1,000,000           | 550,000             | 550,000               | 1,100,000           | 550,000   | 550,000   | 550,000   | 550,000   | 550,000   |
| Safety                        | -                   | -                   | 250,000               | 316,000             | -         | -         | -         | -         | -         |
| Recreation-BBB Fund           | 110,000             | 143,000             | 143,000               | 110,000             | 110,000   | 110,000   | 110,000   | 110,000   | 110,000   |
| Total Transfers In            | 1,110,000           | 778,650             | 1,028,650             | 1,526,000           | 660,000   | 660,000   | 660,000   | 660,000   | 660,000   |
| <b>Total Sources of Funds</b> | 4,258,694           | 6,719,691           | 4,420,649             | 9,830,337           | 2,669,407 | 2,156,122 | 2,278,356 | 2,313,022 | 2,604,440 |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |           |           |           |           |           |
| Departments                   |                     |                     |                       |                     |           |           |           |           |           |
| General Operating             | 36,702              | 79,571              | 90,026                | 103,550             | 106,139   | 108,792   | 111,512   | 114,300   | 117,158   |
| CIP                           | 1,239,377           | 5,464,861           | 1,654,706             | 9,438,578           | 1,715,669 | 1,114,889 | 1,239,889 | 1,004,890 | 1,361,219 |
| Reserves/Contingencies        | -                   | 10,000              | -                     | 10,000              | -         | -         | -         | -         | -         |
| Total Expenditures            | 1,276,079           | 5,554,432           | 1,744,732             | 9,552,128           | 1,821,808 | 1,223,681 | 1,351,401 | 1,119,190 | 1,478,377 |
| Transfers Out                 |                     |                     |                       |                     |           |           |           |           |           |
| General Fund                  | 167,201             | 170,201             | 170,201               | 175,201             | 180,301   | 185,554   | 190,965   | 196,537   | 202,278   |
| Transportation                | 250,000             | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| Stormwater                    | 200,000             | 565,000             | -                     | -                   | 287,500   | 287,500   | 287,500   | 287,500   | -         |
| Total Transfers Out           | 617,201             | 735,201             | 170,201               | 175,201             | 467,801   | 473,054   | 478,465   | 484,037   | 202,278   |
| <b>Total Uses of Funds</b>    | 1,893,280           | 6,289,633           | 1,914,933             | 9,727,329           | 2,289,609 | 1,696,735 | 1,829,866 | 1,603,227 | 1,680,655 |
| <b>Ending Fund Balance</b>    | \$ 2,365,413        | 430,058             | 2,505,716             | 103,008             | 379,798   | 459,387   | 448,491   | 709,795   | 923,785   |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
ECONOMIC DEVELOPMENT FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |           |           |           |           |           |
| <b>Beginning Fund Balance</b> | \$ 228,631          | 292,117             | 302,627               | 314,247             | 244,890   | 244,466   | 243,654   | 242,230   | 240,614   |
| Revenue                       |                     |                     |                       |                     |           |           |           |           |           |
| BBB Tax Revenue               | 407,548             | 410,105             | 410,105               | 442,499             | 486,749   | 505,651   | 525,292   | 546,304   | 560,000   |
| Interest Income/Misc Rev.     | 7,072               | 3,915               | 3,915                 | 3,544               | 3,227     | 2,937     | 2,684     | 2,480     | 2,214     |
| Total Revenues                | 414,620             | 414,020             | 414,020               | 446,043             | 489,976   | 508,588   | 527,976   | 548,784   | 562,214   |
| Transfer In                   |                     |                     |                       |                     |           |           |           |           |           |
| General Fund                  | 65,000              | 50,000              | 12,000                | 131,000             | 186,000   | 176,000   | 165,000   | 154,000   | 151,000   |
| Total Transfer In             | 65,000              | 50,000              | 12,000                | 131,000             | 186,000   | 176,000   | 165,000   | 154,000   | 151,000   |
| <b>Total Sources of Funds</b> | 708,251             | 756,137             | 728,647               | 891,290             | 920,866   | 929,054   | 936,630   | 945,014   | 953,828   |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |           |           |           |           |           |
| Departments                   |                     |                     |                       |                     |           |           |           |           |           |
| GFEC                          | 380,008             | 398,000             | 398,000               | 378,000             | 367,000   | 376,000   | 385,000   | 395,000   | 405,000   |
| Rural Economic Conference     | -                   | -                   | -                     | 25,000              | -         | -         | -         | -         | -         |
| Telecom                       | 21,216              | 50,000              | 12,000                | -                   | -         | -         | -         | -         | -         |
| Partnership Training Funds    | -                   | 22,000              | -                     | -                   | -         | -         | -         | -         | -         |
| NACOG                         | 4,400               | 4,400               | 4,400                 | 4,400               | 4,400     | 4,400     | 4,400     | 4,400     | 4,400     |
| Incubator                     | -                   | -                   | -                     | 214,000             | 305,000   | 305,000   | 305,000   | 305,000   | 305,000   |
| Reserve/Contingencies         | -                   | 25,000              | -                     | 25,000              | -         | -         | -         | -         | -         |
| Total Operating Expenses      | 405,624             | 499,400             | 414,400               | 646,400             | 676,400   | 685,400   | 694,400   | 704,400   | 714,400   |
| <b>Total Uses of Funds</b>    | 405,624             | 499,400             | 414,400               | 646,400             | 676,400   | 685,400   | 694,400   | 704,400   | 714,400   |
| <b>Ending Fund Balance</b>    | \$ 302,627          | 256,737             | 314,247               | 244,890             | 244,466   | 243,654   | 242,230   | 240,614   | 239,428   |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
TOURISM FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |           |           |           |           |           |
| <b>Beginning Fund Balance</b> | \$ 338,557          | 571,486             | 503,257               | 376,640             | 29,753    | 18,632    | 31,651    | 70,334    | 138,183   |
| Revenues                      |                     |                     |                       |                     |           |           |           |           |           |
| Intergovernmental Revenues    | -                   | -                   | -                     | 50,000              | -         | -         | -         | -         | -         |
| BBB Tax Revenues              | 1,286,995           | 1,295,068           | 1,343,620             | 1,397,365           | 1,537,102 | 1,596,793 | 1,658,818 | 1,725,171 | 1,768,300 |
| Interest on Investments       | 14,711              | 20,500              | 20,500                | 21,013              | 21,538    | 22,076    | 22,628    | 23,194    | 23,774    |
| Miscellaneous Revenues        | 35,384              | 40,895              | 25,000                | 25,000              | 25,625    | 26,266    | 26,923    | 27,596    | 28,286    |
| Visitor Center Retail Sales   | 40,410              | 40,000              | 40,000                | 42,000              | 44,100    | 46,305    | 48,620    | 51,051    | 53,604    |
| Total Revenues                | 1,377,500           | 1,396,463           | 1,429,120             | 1,535,378           | 1,628,365 | 1,691,440 | 1,756,989 | 1,827,012 | 1,873,964 |
| <b>Total Sources of Funds</b> | 1,716,057           | 1,967,949           | 1,932,377             | 1,912,018           | 1,658,118 | 1,710,072 | 1,788,640 | 1,897,347 | 2,012,146 |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |           |           |           |           |           |
| Departments                   |                     |                     |                       |                     |           |           |           |           |           |
| Operating Expenditures        | 1,147,307           | 1,434,641           | 1,429,318             | 1,623,291           | 1,630,049 | 1,668,984 | 1,708,869 | 1,749,727 | 1,791,583 |
| Capital Expenditures          | 59,255              | 252,981             | 116,982               | 199,537             | -         | -         | -         | -         | -         |
| Reserve/Contingencies         | -                   | 50,000              | -                     | 50,000              | -         | -         | -         | -         | -         |
| Total Expenditures            | 1,206,562           | 1,737,622           | 1,546,300             | 1,872,828           | 1,630,049 | 1,668,984 | 1,708,869 | 1,749,727 | 1,791,583 |
| Transfers Out                 |                     |                     |                       |                     |           |           |           |           |           |
| General Fund                  | 6,238               | 9,437               | 9,437                 | 9,437               | 9,437     | 9,437     | 9,437     | 9,437     | 9,437     |
| Total Transfers Out           | 6,238               | 9,437               | 9,437                 | 9,437               | 9,437     | 9,437     | 9,437     | 9,437     | 9,437     |
| <b>Total Uses of Funds</b>    | 1,212,800           | 1,747,059           | 1,555,737             | 1,882,265           | 1,639,486 | 1,678,421 | 1,718,306 | 1,759,164 | 1,801,020 |
| <b>Ending Fund Balance</b>    | \$ 503,257          | 220,890             | 376,640               | 29,753              | 18,632    | 31,651    | 70,334    | 138,183   | 211,126   |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
ARTS AND SCIENCE FUND  
FIVE YEAR PLAN 2007-2012

|                                | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|--------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Sources of Funds</b>        |                     |                     |                       |                     |           |           |           |           |           |
| <b>Beginning Fund Balance</b>  | \$ 202,265          | 238,961             | 238,184               | 274,289             | 34,000    | 38,428    | 39,920    | 41,471    | 43,129    |
| Revenues                       |                     |                     |                       |                     |           |           |           |           |           |
| BBB Tax Revenues               | 321,749             | 323,767             | 335,905               | 349,341             | 384,275   | 399,198   | 414,705   | 431,293   | 442,075   |
| Interest Income                | 4,762               | 11,948              | 6,700                 | 6,857               | 850       | 961       | 998       | 1,037     | 1,078     |
| Miscellaneous                  | 206                 | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| Total Revenues                 | 326,717             | 335,715             | 342,605               | 356,198             | 385,125   | 400,159   | 415,703   | 432,330   | 443,153   |
| Transfers In                   |                     |                     |                       |                     |           |           |           |           |           |
| General Fund                   | 35,000              | 35,000              | 35,000                | 35,000              | 35,000    | 35,000    | 35,000    | 35,000    | 35,000    |
| Total Transfers In             | 35,000              | 35,000              | 35,000                | 35,000              | 35,000    | 35,000    | 35,000    | 35,000    | 35,000    |
| <b>Total Sources of Funds</b>  | 563,982             | 609,676             | 615,789               | 665,487             | 454,125   | 473,587   | 490,623   | 508,801   | 521,282   |
| <b>Uses of Funds</b>           |                     |                     |                       |                     |           |           |           |           |           |
| Departments                    |                     |                     |                       |                     |           |           |           |           |           |
| General Operating              | -                   | 2,448               | 900                   | 9,531               | 9,769     | 10,014    | 10,264    | 10,520    | 10,783    |
| Public Art                     | 798                 | 75,943              | 15,600                | 280,831             | 73,650    | 80,193    | 84,217    | 89,238    | 89,104    |
| FCP Administration             | 45,000              | 45,000              | 45,000                | 46,125              | 47,278    | 48,460    | 49,672    | 50,913    | 52,186    |
| Contribution to Other Agencies | 280,000             | 280,000             | 280,000               | 285,000             | 285,000   | 295,000   | 305,000   | 315,000   | 325,000   |
| Reserve                        | -                   | 10,000              | -                     | 10,000              | -         | -         | -         | -         | -         |
| Total Expenditures             | 325,798             | 413,391             | 341,500               | 631,487             | 415,697   | 433,667   | 449,152   | 465,672   | 477,074   |
| <b>Total Uses of Funds</b>     | 325,798             | 413,391             | 341,500               | 631,487             | 415,697   | 433,667   | 449,152   | 465,672   | 477,074   |
| <b>Ending Fund Balance</b>     | \$ 238,184          | 196,285             | 274,289               | 34,000              | 38,428    | 39,920    | 41,471    | 43,129    | 44,208    |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
BBB-RECREATION FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008        | 2008-2009        | 2009-2010        | 2010-2011        | 2011-2012        |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |                  |                  |                  |                  |                  |
| <b>Beginning Fund Balance</b> | \$ 3,297,372        | 2,793,262           | 2,617,806             | 1,969,579           | 69,232           | 109,236          | 280,624          | 428,013          | 567,048          |
| Revenues                      |                     |                     |                       |                     |                  |                  |                  |                  |                  |
| Intergovernmental Revenue     | 5,040               | 550,000             | 843,641               | -                   | -                | -                | -                | -                | -                |
| BBB Tax Revenue               | 1,442,775           | 1,424,574           | 1,477,982             | 1,537,101           | 1,690,812        | 1,756,473        | 1,824,700        | 1,897,688        | 1,945,130        |
| Interest on Investments       | 61,927              | 55,900              | 52,400                | 39,400              | 1,400            | 2,200            | 5,600            | 8,600            | 11,300           |
| Other Financing Sources       | -                   | -                   | -                     | 1,200,000           | -                | -                | -                | -                | -                |
| Miscellaneous Revenues        | 15,073              | -                   | -                     | -                   | -                | -                | -                | -                | -                |
| Total Revenues                | 1,524,815           | 2,030,474           | 2,374,023             | 2,776,501           | 1,692,212        | 1,758,673        | 1,830,300        | 1,906,288        | 1,956,430        |
| Transfers In                  |                     |                     |                       |                     |                  |                  |                  |                  |                  |
| General Fund                  |                     |                     |                       |                     |                  |                  |                  |                  |                  |
| Secondary Prop Tax Fund       | 262,924             | 270,811             | 270,811               | 278,936             | 287,303          | 295,922          | 304,800          | 313,944          | 323,362          |
| Real Estate Proceeds          | -                   | -                   | -                     | 655,000             | -                | -                | -                | -                | -                |
| Transportation - Safety       | -                   | -                   | -                     | 234,000             | -                | -                | -                | -                | -                |
| General Fund                  | -                   | -                   | -                     | 650,000             | -                | -                | -                | -                | -                |
| Total Transfers In            | 262,924             | 270,811             | 270,811               | 1,817,936           | 287,303          | 295,922          | 304,800          | 313,944          | 323,362          |
| <b>Total Sources of Funds</b> | <b>5,085,111</b>    | <b>5,094,547</b>    | <b>5,262,640</b>      | <b>6,564,016</b>    | <b>2,048,747</b> | <b>2,163,831</b> | <b>2,415,724</b> | <b>2,648,245</b> | <b>2,846,840</b> |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |                  |                  |                  |                  |                  |
| Departments                   |                     |                     |                       |                     |                  |                  |                  |                  |                  |
| Operating Expenditures        | -                   | -                   | -                     | -                   | -                | -                | -                | -                | -                |
| Capital Expenditures          | 1,155,915           | 3,415,552           | 1,745,987             | 4,809,145           | 50,000           | 200,000          | 260,000          | 326,000          | 333,000          |
| Total Expenditures            | 1,155,915           | 3,415,552           | 1,745,987             | 4,809,145           | 50,000           | 200,000          | 260,000          | 326,000          | 333,000          |
| Transfers Out                 |                     |                     |                       |                     |                  |                  |                  |                  |                  |
| General Fund                  | 591,418             | 812,891             | 753,000               | 947,400             | 990,222          | 1,044,049        | 1,086,778        | 1,118,389        | 1,150,911        |
| Debt Service                  | 609,972             | 651,074             | 651,074               | 628,239             | 789,289          | 529,158          | 530,933          | 526,808          | 527,008          |
| Beautification                | 110,000             | 143,000             | 143,000               | 110,000             | 110,000          | 110,000          | 110,000          | 110,000          | 110,000          |
| Total Transfers Out           | 1,311,390           | 1,606,965           | 1,547,074             | 1,685,639           | 1,889,511        | 1,683,207        | 1,727,711        | 1,755,197        | 1,787,919        |
| <b>Total Uses of Funds</b>    | <b>2,467,305</b>    | <b>5,022,517</b>    | <b>3,293,061</b>      | <b>6,494,784</b>    | <b>1,939,511</b> | <b>1,883,207</b> | <b>1,987,711</b> | <b>2,081,197</b> | <b>2,120,919</b> |
| <b>Ending Fund Balance</b>    | <b>\$ 2,617,806</b> | <b>72,030</b>       | <b>1,969,579</b>      | <b>69,232</b>       | <b>109,236</b>   | <b>280,624</b>   | <b>428,013</b>   | <b>567,048</b>   | <b>725,921</b>   |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
 REAL ESTATE PROCEEDS FUND  
 FIVE YEAR PLAN 2007-2012

|                            | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|----------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| Sources of Funds           |                     |                     |                       |                     |           |           |           |           |           |
| Beginning Fund Balance     | \$ 906,587          | 2,458,157           | 2,470,924             | 2,467,612           | 683,962   | 704,312   | 725,662   | 747,012   | 768,362   |
| Sale of Property           | 1,669,521           | -                   | -                     | 1,200,000           | -         | -         | -         | -         | -         |
| Interest on Investments    | 155,008             | 47,350              | 47,350                | 47,350              | 20,350    | 21,350    | 21,350    | 21,350    | 22,350    |
| Miscellaneous Revenues     | 2,533               | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| Total Revenues             | 1,827,062           | 47,350              | 47,350                | 1,247,350           | 20,350    | 21,350    | 21,350    | 21,350    | 22,350    |
| Transfers In               |                     |                     |                       |                     |           |           |           |           |           |
| General Fund               |                     | 150,000             | 150,000               | -                   | -         | -         | -         | -         | -         |
| Total Transfers In         |                     | 150,000             | 150,000               | -                   | -         | -         | -         | -         | -         |
| Total Sources of Funds     | 2,733,649           | 2,655,507           | 2,668,274             | 3,714,962           | 704,312   | 725,662   | 747,012   | 768,362   | 790,712   |
| Uses of Funds              |                     |                     |                       |                     |           |           |           |           |           |
| Departments                |                     |                     |                       |                     |           |           |           |           |           |
| General Administration     | 262,001             | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| Redevelopment Acquisitions |                     | 1,126,000           | 662                   | -                   | -         | -         | -         | -         | -         |
| Acquisition of Open Spaces | 724                 | 1,175,900           | -                     | 150,000             | -         | -         | -         | -         | -         |
| Fire Dept Property Acq     |                     | 200,000             | 200,000               | -                   | -         | -         | -         | -         | -         |
| Total Expenditures         | 262,725             | 2,501,900           | 200,662               | 150,000             | -         | -         | -         | -         | -         |
| Total Operating Budget     | 262,725             | 2,501,900           | 200,662               | 150,000             | -         | -         | -         | -         | -         |
| Transfers Out              |                     |                     |                       |                     |           |           |           |           |           |
| BBB Rec                    | -                   | -                   | -                     | 655,000             | -         | -         | -         | -         | -         |
| Capital Projects Fund      | -                   | -                   | -                     | 1,100,000           | -         | -         | -         | -         | -         |
| General Fund               | -                   | -                   | -                     | 1,126,000           | -         | -         | -         | -         | -         |
| Total Transfers Out        | -                   | -                   | -                     | 2,881,000           | -         | -         | -         | -         | -         |
| Total Uses of Funds        | 262,725             | 2,501,900           | 200,662               | 3,031,000           | -         | -         | -         | -         | -         |
| Ending Fund Balance        | \$ 2,470,924        | 153,607             | 2,467,612             | 683,962             | 704,312   | 725,662   | 747,012   | 768,362   | 790,712   |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
HOUSING AND COMMUNITY SERVICES FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |           |           |           |           |           |
| <b>Beginning Fund Balance</b> | \$ 1,423,180        | 2,235,600           | 2,164,957             | 2,232,017           | 63,738    | 63,738    | 63,738    | 63,738    | 63,738    |
| Revenues                      |                     |                     |                       |                     |           |           |           |           |           |
| Intergovernmental Revenues    | 664,208             | 2,313,648           | 947,741               | 1,852,729           | 1,043,863 | 1,043,863 | 1,043,863 | 1,043,863 | 1,043,863 |
| Interest on Investments       | 44,551              | -                   | 60,228                | -                   | -         | -         | -         | -         | -         |
| Sale of Real Property         | 402,054             | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| Miscellaneous Revenues        | 275,212             | -                   | 208,302               | -                   | -         | -         | -         | -         | -         |
| Total Revenues                | 1,386,025           | 2,313,648           | 1,216,271             | 1,852,729           | 1,043,863 | 1,043,863 | 1,043,863 | 1,043,863 | 1,043,863 |
| Transfers In                  |                     |                     |                       |                     |           |           |           |           |           |
| General Fund                  | 375,400             | 375,400             | 375,400               | 341,953             | 328,400   | 328,400   | 328,400   | 328,400   | 328,400   |
| Total Transfers In            | 375,400             | 375,400             | 375,400               | 341,953             | 328,400   | 328,400   | 328,400   | 328,400   | 328,400   |
| <b>Total Sources of Funds</b> | 3,184,605           | 4,924,648           | 3,756,628             | 4,426,699           | 1,436,001 | 1,436,001 | 1,436,001 | 1,436,001 | 1,436,001 |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |           |           |           |           |           |
| Departments                   |                     |                     |                       |                     |           |           |           |           |           |
| Operating Expenditures        | 1,019,648           | 4,806,625           | 1,524,611             | 4,362,961           | 1,372,263 | 1,372,263 | 1,372,263 | 1,372,263 | 1,372,263 |
| Operating Capital             | -                   | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| Total Expenditures            | 1,019,648           | 4,806,625           | 1,524,611             | 4,362,961           | 1,372,263 | 1,372,263 | 1,372,263 | 1,372,263 | 1,372,263 |
| <b>Total Uses of Funds</b>    | 1,019,648           | 4,806,625           | 1,524,611             | 4,362,961           | 1,372,263 | 1,372,263 | 1,372,263 | 1,372,263 | 1,372,263 |
| <b>Ending Fund Balance</b>    | \$ 2,164,957        | 118,023             | 2,232,017             | 63,738              | 63,738    | 63,738    | 63,738    | 63,738    | 63,738    |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
METRO PLANNING ORGANIZATION FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |           |           |           |           |           |
| <b>Beginning Fund Balance</b> | \$ -                | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| <b>Revenues</b>               |                     |                     |                       |                     |           |           |           |           |           |
| Intergovernmental Revenue     | 314,739             | 609,666             | 352,878               | 746,417             | 342,452   | 285,803   | 260,803   | 260,803   | 260,803   |
| Miscellaneous Revenues        | 32,500              | 25,000              | 0                     | 245,000             | 105,000   | 105,000   | 105,000   | 105,000   | 105,000   |
| Total Revenues                | 347,239             | 634,666             | 352,878               | 991,417             | 447,452   | 390,803   | 365,803   | 365,803   | 365,803   |
| <b>Transfers In</b>           |                     |                     |                       |                     |           |           |           |           |           |
| General Fund                  | 15,000              | 25,000              | 25,000                | 25,000              | 30,000    | 30,000    | 30,000    | 30,000    | 30,000    |
| Total Transfers In            | 15,000              | 25,000              | 25,000                | 25,000              | 30,000    | 30,000    | 30,000    | 30,000    | 30,000    |
| <b>Total Sources of Funds</b> | 362,239             | 659,666             | 377,878               | 1,016,417           | 477,452   | 420,803   | 395,803   | 395,803   | 395,803   |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |           |           |           |           |           |
| <b>Departments</b>            |                     |                     |                       |                     |           |           |           |           |           |
| Operating Expenditures        | 331,284             | 508,002             | 340,430               | 740,220             | 366,699   | 310,050   | 285,050   | 285,050   | 285,050   |
| Indirect Grant Cost           | 30,955              | 51,664              | 37,448                | 36,197              | 10,753    | 10,753    | 10,753    | 10,753    | 10,753    |
| Total Expenditures            | 362,239             | 559,666             | 377,878               | 776,417             | 377,452   | 320,803   | 295,803   | 295,803   | 295,803   |
| Contingency                   | 0                   | 100,000             | 0                     | 240,000             | 100,000   | 100,000   | 100,000   | 100,000   | 100,000   |
| <b>Total Uses of Funds</b>    | 362,239             | 659,666             | 377,878               | 1,016,417           | 477,452   | 420,803   | 395,803   | 395,803   | 395,803   |
| <b>Ending Fund Balance</b>    | \$ -                | -                   | -                     | -                   | -         | -         | -         | -         | -         |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
GENERAL OBLIGATION BOND FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |           |           |           |           |           |
| <b>Beginning Fund Balance</b> | \$ 12,224           | 12,524              | 16,886                | 17,286              | 17,586    | 17,986    | 18,386    | 18,886    | 19,386    |
| Revenues                      |                     |                     |                       |                     |           |           |           |           |           |
| Interest Revenue              | -                   | 300                 | 400                   | 300                 | 400       | 400       | 500       | 500       | 500       |
| Total Revenues                | -                   | 300                 | 400                   | 300                 | 400       | 400       | 500       | 500       | 500       |
| Transfers In                  |                     |                     |                       |                     |           |           |           |           |           |
| BBB- Recreation               | 609,972             | 651,074             | 651,074               | 628,239             | 789,289   | 529,158   | 530,933   | 526,808   | 527,008   |
| Secondary Property Tax Fund   | 1,156,936           | 2,800,687           | 2,800,805             | 2,483,469           | 3,406,969 | 3,411,169 | 3,760,919 | 3,760,025 | 3,761,863 |
| Total Transfers In            | 1,766,908           | 3,451,761           | 3,451,879             | 3,111,708           | 4,196,258 | 3,940,327 | 4,291,852 | 4,286,833 | 4,288,871 |
| <b>Total Sources of Funds</b> | 1,779,132           | 3,464,585           | 3,469,165             | 3,129,294           | 4,214,244 | 3,958,713 | 4,310,738 | 4,306,219 | 4,308,757 |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |           |           |           |           |           |
| Debt Service                  |                     |                     |                       |                     |           |           |           |           |           |
| Debt Service                  | 1,762,246           | 3,451,761           | 3,451,879             | 3,111,708           | 4,196,258 | 3,940,327 | 4,291,852 | 4,286,833 | 4,288,871 |
| Total Debt Service            | 1,762,246           | 3,451,761           | 3,451,879             | 3,111,708           | 4,196,258 | 3,940,327 | 4,291,852 | 4,286,833 | 4,288,871 |
| <b>Total Uses of Funds</b>    | 1,762,246           | 3,451,761           | 3,451,879             | 3,111,708           | 4,196,258 | 3,940,327 | 4,291,852 | 4,286,833 | 4,288,871 |
| <b>Ending Fund Balance</b>    | \$ 16,886           | 12,824              | 17,286                | 17,586              | 17,986    | 18,386    | 18,886    | 19,386    | 19,886    |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
SECONDARY PROPERTY TAX FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |           |           |           |           |           |
| <b>Beginning Fund Balance</b> | \$ 1,101,996        | 1,963,400           | 1,958,725             | 1,168,398           | 1,062,834 | 799,153   | 774,791   | 969,484   | 1,447,366 |
| Revenues                      |                     |                     |                       |                     |           |           |           |           |           |
| Secondary Property Taxes      | 4,856,360           | 4,879,862           | 4,879,862             | 5,222,056           | 5,483,159 | 5,757,317 | 6,045,183 | 6,347,442 | 6,664,814 |
| Interest Revenue              | 23,189              | 38,800              | 72,000                | 39,300              | 23,400    | 21,300    | 16,000    | 15,500    | 19,400    |
| Total Revenues                | 4,879,549           | 4,918,662           | 4,951,862             | 5,261,356           | 5,506,559 | 5,778,617 | 6,061,183 | 6,362,942 | 6,684,214 |
| <b>Total Sources of Funds</b> | 5,981,545           | 6,882,062           | 6,910,587             | 6,429,754           | 6,569,393 | 6,577,770 | 6,835,974 | 7,332,426 | 8,131,580 |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |           |           |           |           |           |
| Transfers Out                 |                     |                     |                       |                     |           |           |           |           |           |
| G. O. Bond Fund               | 1,156,936           | 2,800,687           | 2,800,805             | 2,483,469           | 3,406,969 | 3,411,169 | 3,760,919 | 3,760,025 | 3,761,863 |
| Recreation - BBB              | 262,924             | 270,811             | 270,811               | 278,936             | 287,303   | 295,922   | 304,800   | 313,944   | 323,362   |
| Airport                       | 204,864             | 262,139             | 252,788               | 193,429             | 263,396   | 290,691   | -         | -         | -         |
| Utilities                     | 2,398,096           | 2,417,785           | 2,417,785             | 2,411,086           | 1,812,572 | 1,805,197 | 1,800,771 | 1,811,091 | 1,820,511 |
| Total Transfers Out           | 4,022,820           | 5,751,422           | 5,742,189             | 5,366,920           | 5,770,240 | 5,802,979 | 5,866,490 | 5,885,060 | 5,905,736 |
| <b>Total Uses of Funds</b>    | 4,022,820           | 5,751,422           | 5,742,189             | 5,366,920           | 5,770,240 | 5,802,979 | 5,866,490 | 5,885,060 | 5,905,736 |
| <b>Ending Fund Balance</b>    | \$ 1,958,725        | 1,130,640           | 1,168,398             | 1,062,834           | 799,153   | 774,791   | 969,484   | 1,447,366 | 2,225,844 |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
SPECIAL ASSESSMENT BOND FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-1011 | 2011-2012 |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |           |           |           |           |           |
| <b>Beginning Fund Balance</b> | \$ 531,980          | 469,960             | 480,313               | 417,519             | 355,253   | 289,808   | 221,215   | 149,708   | 153,408   |
| Revenues                      |                     |                     |                       |                     |           |           |           |           |           |
| Special Assessments           | 218,500             | 29,118              | 15,843                | 16,055              | 17,322    | 18,589    | 19,857    | -         | -         |
| Interest on Investments       | 28,034              | 18,880              | 15,908                | 13,126              | 11,208    | 8,628     | 5,987     | 3,700     | 3,800     |
| Miscellaneous Revenues        | 797                 | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| Total Revenues                | 247,331             | 47,998              | 31,751                | 29,181              | 28,530    | 27,217    | 25,844    | 3,700     | 3,800     |
| <b>Total Sources of Funds</b> | 779,311             | 517,958             | 512,064               | 446,700             | 383,783   | 317,025   | 247,059   | 153,408   | 157,208   |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |           |           |           |           |           |
| Departments                   |                     |                     |                       |                     |           |           |           |           |           |
| Operating Expense             | -                   | 400                 | 400                   | -                   | 400       | 400       | 400       | -         | -         |
| Debt Service                  |                     |                     |                       |                     |           |           |           |           |           |
| Bonds                         | 298,998             | 94,145              | 94,145                | 91,447              | 93,575    | 95,410    | 96,951    | -         | -         |
| <b>Total Uses of Funds</b>    | 298,998             | 94,545              | 94,545                | 91,447              | 93,975    | 95,810    | 97,351    | -         | -         |
| <b>Ending Fund Balance</b>    | \$ 480,313          | 423,413             | 417,519               | 355,253             | 289,808   | 221,215   | 149,708   | 153,408   | 157,208   |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
 PERPETUAL CARE FUND  
 FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |           |           |           |           |           |
| <b>Beginning Fund Balance</b> | \$ 27,674           | 43,912              | 46,297                | 75,697              | 105,685   | 136,273   | 167,472   | 199,296   | 231,756   |
| Revenues                      |                     |                     |                       |                     |           |           |           |           |           |
| Contributions                 | 17,765              | 15,881              | 28,000                | 28,560              | 29,131    | 29,714    | 30,308    | 30,914    | 31,533    |
| Interest on Investments       | 836                 | 682                 | 1,400                 | 1,428               | 1,457     | 1,486     | 1,515     | 1,546     | 1,577     |
| Miscellaneous                 | 22                  | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| Total Revenues                | 18,623              | 16,563              | 29,400                | 29,988              | 30,588    | 31,200    | 31,824    | 32,460    | 33,109    |
| <b>Total Sources of Funds</b> | 46,297              | 60,475              | 75,697                | 105,685             | 136,273   | 167,472   | 199,296   | 231,756   | 264,865   |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |           |           |           |           |           |
| Departments                   |                     |                     |                       |                     |           |           |           |           |           |
| Operating Expenditures        | -                   | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| Total Expenditures            | -                   | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| <b>Total Uses of Funds</b>    | -                   | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| <b>Ending Fund Balance</b>    | \$ 46,297           | 60,475              | 75,697                | 105,685             | 136,273   | 167,472   | 199,296   | 231,756   | 264,865   |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
CAPITAL PROJECTS FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008  | 2008-2009  | 2009-2010  | 2010-2011 | 2011-2012  |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|------------|------------|------------|-----------|------------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |            |            |            |           |            |
| <b>Beginning Fund Balance</b> | \$ -                | ( 972,439)          | ( 970,104)            | 28,015,857          | 9,213,483  | 16,056,821 | 3,451,241  | 6,354,280 | 6,513,137  |
| Revenues                      |                     |                     |                       |                     |            |            |            |           |            |
| Bond Proceeds                 | -                   | 31,000,000          | 31,000,000            | -                   | 11,500,000 | -          | 4,787,758  | -         | -          |
| MFC Bond Proceeds             | -                   | 505,477             | -                     | 4,365,599           | 11,249,000 | -          | 12,167,000 | -         | 13,159,000 |
| Miscellaneous Revenues        | -                   | -                   | -                     | 700,396             | 230,337    | 401,421    | 86,281     | 158,857   | 162,828    |
| Total Revenues                | -                   | 31,505,477          | 31,000,000            | 5,065,995           | 22,979,337 | 401,421    | 17,041,039 | 158,857   | 13,321,828 |
| Transfers In                  | -                   | -                   | -                     | 1,100,000           | -          | -          | -          | -         | -          |
| Total Transfers               | -                   | -                   | -                     | 1,100,000           | -          | -          | -          | -         | -          |
| <b>Total Sources of Funds</b> |                     | 30,533,038          | 30,029,896            | 34,181,852          | 32,192,821 | 16,458,241 | 20,492,280 | 6,513,137 | 19,834,965 |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |            |            |            |           |            |
| Departments                   |                     |                     |                       |                     |            |            |            |           |            |
| Capital Expenditures          | 970,104             | 10,692,520          | 2,014,039             | 24,968,369          | 16,136,000 | 13,007,000 | 14,138,000 | -         | 14,659,000 |
| Total Expenditures            | 970,104             | 10,692,520          | 2,014,039             | 24,968,369          | 16,136,000 | 13,007,000 | 14,138,000 | -         | 14,659,000 |
| <b>Total Uses of Funds</b>    | 970,104             | 10,692,520          | 2,014,039             | 24,968,369          | 16,136,000 | 13,007,000 | 14,138,000 | -         | 14,659,000 |
| <b>Ending Fund Balance</b>    | (\$970,104)         | 19,840,518          | 28,015,857            | 9,213,483           | 16,056,821 | 3,451,241  | 6,354,280  | 6,513,137 | 5,175,965  |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
WATER AND WASTEWATER FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008  | 2008-2009  | 2009-2010  | 2010-2011  | 2011-2012  |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|------------|------------|------------|------------|------------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |            |            |            |            |            |
| <b>Beginning Fund Balance</b> | \$ 24,108,826       | 21,139,606          | 20,955,932            | 10,176,037          | 24,002,547 | 7,555,215  | 6,615,447  | 3,377,271  | 1,729,593  |
| Revenues                      |                     |                     |                       |                     |            |            |            |            |            |
| Intergovernmental             | 43,053              | 19,200              | 53,700                | 57,765              | -          | -          | -          | -          | -          |
| Water Revenues                | 10,435,046          | 11,150,500          | 11,167,404            | 11,598,026          | 12,298,756 | 13,044,249 | 13,305,000 | 13,571,000 | 13,842,400 |
| Wastewater Revenues           | 7,239,183           | 7,853,000           | 7,813,778             | 7,973,600           | 8,353,385  | 8,520,300  | 8,690,700  | 8,864,600  | 9,042,000  |
| Interest Revenues             | 623,803             | 528,000             | 629,338               | 254,000             | 600,000    | 189,000    | 165,000    | 84,000     | 43,000     |
| Bond Proceeds                 | -                   | 46,600,000          | -                     | 46,600,000          | -          | -          | -          | -          | -          |
| Miscellaneous Revenues        | 53,210              | -                   | -                     | -                   | -          | -          | -          | -          | -          |
| Total Revenues                | 18,394,295          | 66,150,700          | 19,664,220            | 66,483,391          | 21,252,141 | 21,753,549 | 22,160,700 | 22,519,600 | 22,927,400 |
| Transfers In                  |                     |                     |                       |                     |            |            |            |            |            |
| Debt Service Fund             | 2,398,830           | 2,417,785           | 2,417,785             | 2,411,086           | 1,812,572  | 1,805,197  | 1,800,771  | 1,811,091  | 1,820,511  |
| Water & Sewer Bond Fund       | -                   | -                   | -                     | -                   | -          | -          | -          | -          | -          |
| Total Transfers In            | 2,398,830           | 2,417,785           | 2,417,785             | 2,411,086           | 1,812,572  | 1,805,197  | 1,800,771  | 1,811,091  | 1,820,511  |
| <b>Total Sources of Funds</b> | 44,901,951          | 89,708,091          | 43,037,937            | 79,070,514          | 47,067,260 | 31,113,960 | 30,576,918 | 27,707,962 | 26,477,504 |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |            |            |            |            |            |
| Departments                   |                     |                     |                       |                     |            |            |            |            |            |
| Operating Expenditures        | 8,288,637           | 10,219,333          | 9,806,252             | 10,367,715          | 10,598,602 | 10,839,783 | 11,110,831 | 11,388,457 | 11,673,166 |
| Indirect Costs                | 1,567,727           | 1,657,406           | 1,657,406             | 1,878,109           | 1,925,100  | 1,973,200  | 2,022,500  | 2,073,100  | 2,124,900  |
| Capital Expenditures          | 7,748,275           | 40,188,532          | 14,139,359            | 33,694,379          | 18,867,350 | 3,441,400  | 5,973,500  | 4,382,300  | 2,972,800  |
| Reserves/Contingencies        | -                   | 1,400,000           | -                     | 1,400,000           | -          | -          | -          | -          | -          |
| Total Expenditures            | 17,604,639          | 53,465,271          | 25,603,017            | 47,340,203          | 31,391,052 | 16,254,383 | 19,106,831 | 17,843,857 | 16,770,866 |
| Debt Service                  |                     |                     |                       |                     |            |            |            |            |            |
| Bonds                         | 3,942,550           | 4,687,785           | 4,683,304             | 5,158,884           | 6,150,627  | 6,281,139  | 6,134,251  | 6,165,627  | 6,203,977  |
| Total Debt Service            | 3,942,550           | 4,687,785           | 4,683,304             | 5,158,884           | 6,150,627  | 6,281,139  | 6,134,251  | 6,165,627  | 6,203,977  |
| Transfers Out                 |                     |                     |                       |                     |            |            |            |            |            |
| General Fund                  | 2,398,830           | 2,575,579           | 2,575,579             | 2,568,880           | 1,970,366  | 1,962,991  | 1,958,565  | 1,968,885  | 1,978,305  |
| Total Transfers Out           | 2,398,830           | 2,575,579           | 2,575,579             | 2,568,880           | 1,970,366  | 1,962,991  | 1,958,565  | 1,968,885  | 1,978,305  |
| <b>Total Uses of Funds</b>    | 23,946,019          | 60,728,635          | 32,861,900            | 55,067,967          | 39,512,045 | 24,498,513 | 27,199,647 | 25,978,369 | 24,953,148 |
| <b>Ending Fund Balance</b>    | \$ 20,955,932       | 28,979,456          | 10,176,037            | 24,002,547          | 7,555,215  | 6,615,447  | 3,377,271  | 1,729,593  | 1,524,356  |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
AIRPORT FUND  
FIVE YEAR PLAN 2007-2012

| Sources of Funds              | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008         | 2008-2009        | 2009-2010         | 2010-2011         | 2011-2012        |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|-------------------|------------------|-------------------|-------------------|------------------|
| <b>Beginning Fund Balance</b> | \$ (164,711)        | 292,221             | 371,266               | 10,779              | 11,217            | 11,381           | 10,863            | 10,798            | 11,209           |
| <b>Revenues</b>               |                     |                     |                       |                     |                   |                  |                   |                   |                  |
| Intergovernmental Revenues    | 3,253,062           | 8,291,543           | 853,633               | 8,686,420           | 13,780,536        | 4,312,500        | 9,021,000         | 8,351,000         | 1,572,500        |
| Airport Revenues              | 900,868             | 1,113,404           | 1,074,512             | 1,164,725           | 1,176,535         | 1,197,716        | 1,226,015         | 1,262,236         | 1,282,721        |
| Interest Revenue              | 7,725               | -                   | 8,000                 | -                   | -                 | -                | -                 | -                 | -                |
| Recovery of Indirect Costs    | 152,657             | 254,137             | 163,098               | 331,677             | 339,970           | 163,171          | 326,342           | 326,342           | 51,282           |
| Miscellaneous Revenues        | 21,608              | 3,200               | 4,350                 | 3,200               | 3,200             | 3,200            | 3,200             | 3,200             | 3,200            |
| Passenger Facility Charges    | 118,279             | 100,000             | 114,000               | 100,000             | 100,000           | 78,359           | -                 | -                 | -                |
| Loan/Lease Proceeds           | 2,782,598           | -                   | -                     | -                   | -                 | -                | -                 | -                 | -                |
| <b>Total Revenues</b>         | <b>7,236,797</b>    | <b>9,762,284</b>    | <b>2,217,593</b>      | <b>10,286,022</b>   | <b>15,400,241</b> | <b>5,754,946</b> | <b>10,576,557</b> | <b>9,942,778</b>  | <b>2,909,703</b> |
| <b>Transfers In</b>           |                     |                     |                       |                     |                   |                  |                   |                   |                  |
| Airpark Fund                  | 40,516              | 368,000             | 140,000               | 660,595             | 55,000            | 36,241           | -                 | -                 | -                |
| Secondary Prop Tax Fund       | 184,831             | 262,139             | 248,139               | 193,429             | 263,396           | 290,691          | -                 | -                 | -                |
| General Fund-Operating        | 283,000             | 171,000             | 234,000               | 357,000             | 221,000           | 407,000          | 252,000           | 253,000           | 546,000          |
| General Fund-Capital          | 167,000             | 168,500             | 43,000                | 223,000             | 341,000           | 151,000          | 419,000           | 345,000           | 83,000           |
| <b>Total Transfers In</b>     | <b>675,347</b>      | <b>969,639</b>      | <b>665,139</b>        | <b>1,434,024</b>    | <b>880,396</b>    | <b>884,932</b>   | <b>671,000</b>    | <b>598,000</b>    | <b>629,000</b>   |
| <b>Total Sources of Funds</b> | <b>7,747,433</b>    | <b>11,024,144</b>   | <b>3,253,998</b>      | <b>11,730,825</b>   | <b>16,291,854</b> | <b>6,651,259</b> | <b>11,258,420</b> | <b>10,551,576</b> | <b>3,549,912</b> |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |                   |                  |                   |                   |                  |
| <b>Departments</b>            |                     |                     |                       |                     |                   |                  |                   |                   |                  |
| Operating Expenditures        | 906,968             | 967,740             | 909,493               | 1,118,340           | 1,080,664         | 1,102,624        | 1,130,190         | 1,158,450         | 1,187,410        |
| Indirect Cost                 | 299,617             | 254,137             | 254,137               | 331,677             | 339,970           | 348,470          | 357,180           | 366,110           | 375,260          |
| Capital Expenditures          | 5,695,655           | 9,113,038           | 1,397,198             | 9,655,910           | 14,176,191        | 4,500,000        | 9,440,000         | 8,695,555         | 1,655,555        |
| <b>Total Expenditures</b>     | <b>6,902,240</b>    | <b>10,334,915</b>   | <b>2,560,828</b>      | <b>11,105,927</b>   | <b>15,596,825</b> | <b>5,951,094</b> | <b>10,927,370</b> | <b>10,220,115</b> | <b>3,218,225</b> |
| <b>Debt Service</b>           |                     |                     |                       |                     |                   |                  |                   |                   |                  |
| Bonds                         | 303,110             | 362,139             | 362,139               | 293,429             | 363,396           | 369,050          | -                 | -                 | -                |
| Leases                        | 115,868             | 231,736             | 231,736               | 231,736             | 231,736           | 231,736          | 231,736           | 231,736           | 231,736          |
| Loans                         | 54,949              | 54,949              | 54,949                | 54,949              | 54,949            | 54,949           | 54,949            | 54,949            | 54,949           |
| <b>Total Debt Service</b>     | <b>473,927</b>      | <b>648,824</b>      | <b>648,824</b>        | <b>580,114</b>      | <b>650,081</b>    | <b>655,735</b>   | <b>286,685</b>    | <b>286,685</b>    | <b>286,685</b>   |
| <b>Transfers Out</b>          |                     |                     |                       |                     |                   |                  |                   |                   |                  |
| General Fund                  | -                   | 33,567              | 33,567                | 33,567              | 33,567            | 33,567           | 33,567            | 33,567            | 33,567           |
| <b>Total Transfers Out</b>    | <b>-</b>            | <b>33,567</b>       | <b>33,567</b>         | <b>33,567</b>       | <b>33,567</b>     | <b>33,567</b>    | <b>33,567</b>     | <b>33,567</b>     | <b>33,567</b>    |
| <b>Total Uses of Funds</b>    | <b>7,376,167</b>    | <b>11,017,306</b>   | <b>3,243,219</b>      | <b>11,719,608</b>   | <b>16,280,473</b> | <b>6,640,396</b> | <b>11,247,622</b> | <b>10,540,367</b> | <b>3,538,477</b> |
| <b>Ending Fund Balance</b>    | <b>\$ 371,266</b>   | <b>6,838</b>        | <b>10,779</b>         | <b>11,217</b>       | <b>11,381</b>     | <b>10,863</b>    | <b>10,798</b>     | <b>11,209</b>     | <b>11,435</b>    |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
AIRPARK FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |           |           |           |           |           |
| <b>Beginning Fund Balance</b> | \$ 396,984          | 766,989             | 864,936               | 738,936             | 89,441    | 35,741    | 0         | 0         | 0         |
| Revenues                      |                     |                     |                       |                     |           |           |           |           |           |
| Sale of Property              | 494,988             | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| Interest on Investments       | 13,480              | 11,500              | 14,000                | 11,100              | 1,300     | 500       | -         | -         | -         |
| Total Revenues                | 508,468             | 11,500              | 14,000                | 11,100              | 1,300     | 500       | -         | -         | -         |
| <b>Total Sources of Funds</b> | 905,452             | 778,489             | 878,936               | 750,036             | 90,741    | 36,241    | 0         | 0         | 0         |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |           |           |           |           |           |
| Transfers Out                 |                     |                     |                       |                     |           |           |           |           |           |
| Airport Fund                  | 40,516              | 368,000             | 140,000               | 660,595             | 55,000    | 36,241    | -         | -         | -         |
| Total Transfers Out           | 40,516              | 368,000             | 140,000               | 660,595             | 55,000    | 36,241    | -         | -         | -         |
| <b>Total Uses of Funds</b>    | 40,516              | 368,000             | 140,000               | 660,595             | 55,000    | 36,241    | -         | -         | -         |
| <b>Ending Fund Balance</b>    | \$ 864,936          | 410,489             | 738,936               | 89,441              | 35,741    | 0         | 0         | 0         | 0         |

CITY OF FLAGSTAFF  
ENVIRONMENTAL SERVICES FUND  
FIVE YEAR PLAN 2007-2012

|                                 | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008  | 2008-2009  | 2009-2010  | 2010-2011  | 2011-2012  |
|---------------------------------|---------------------|---------------------|-----------------------|---------------------|------------|------------|------------|------------|------------|
| <b>Sources of Funds</b>         |                     |                     |                       |                     |            |            |            |            |            |
| <b>Beginning Fund Balance</b>   | \$ 5,013,749        | 5,685,103           | 5,627,860             | 5,995,144           | 2,759,198  | 1,522,339  | 583,236    | 514,254    | 723,759    |
| Revenues                        |                     |                     |                       |                     |            |            |            |            |            |
| Intergovernmental Revenues      | 123,339             | 75,000              | -                     | 200,000             | -          | -          | -          | -          | -          |
| Environmental Services Revenues | 8,833,909           | 8,760,817           | 9,477,715             | 9,617,577           | 9,856,049  | 10,100,673 | 10,351,615 | 10,609,045 | 10,873,135 |
| Other Financing Sources         | 471,820             | 700,000             | 700,000               | -                   | -          | 1,000,000  | -          | -          | -          |
| Interest on Investments         | 234,017             | 82,000              | 117,808               | 120,753             | 123,772    | 126,866    | 130,038    | 133,289    | 136,621    |
| Miscellaneous Revenues          | 84,207              | -                   | 9,812                 | -                   | -          | -          | -          | -          | -          |
| Total Revenues                  | 9,747,292           | 9,617,817           | 10,305,335            | 9,938,330           | 9,979,821  | 11,227,539 | 10,481,653 | 10,742,334 | 11,009,756 |
| Transfers In                    |                     |                     |                       |                     |            |            |            |            |            |
| Stormwater Utility Fund         | 15,000              | -                   | -                     | -                   | -          | -          | -          | -          | -          |
| General Fund                    | -                   | -                   | -                     | 32,500              | 65,000     | 66,950     | -          | -          | -          |
| Total Transfers In              | 15,000              | -                   | -                     | 32,500              | 65,000     | 66,950     | -          | -          | -          |
| <b>Total Sources of Funds</b>   | 14,776,041          | 15,302,920          | 15,933,195            | 15,965,974          | 12,804,018 | 12,816,828 | 11,064,889 | 11,256,588 | 11,733,515 |
| <b>Uses of Funds</b>            |                     |                     |                       |                     |            |            |            |            |            |
| Departments                     |                     |                     |                       |                     |            |            |            |            |            |
| Operating Expenditures          | 6,349,814           | 6,851,007           | 7,087,818             | 7,858,453           | 8,071,898  | 8,291,645  | 8,519,665  | 8,753,956  | 8,994,690  |
| Indirect Costs                  | 934,422             | 965,051             | 965,051               | 1,102,962           | 1,133,293  | 1,164,459  | 1,196,482  | 1,229,385  | 1,263,193  |
| Capital Expenditures            | 1,842,721           | 3,088,284           | 1,587,194             | 3,725,873           | 2,057,000  | 2,758,000  | 815,000    | 530,000    | 865,000    |
| Reserves/Contingencies          | 16,529              | 500,000             | 278,500               | 500,000             | -          | -          | -          | -          | -          |
| Total Expenditures              | 9,143,486           | 11,404,342          | 9,918,563             | 13,187,288          | 11,262,191 | 12,214,104 | 10,531,147 | 10,513,341 | 11,122,883 |
| Transfers out:                  |                     |                     |                       |                     |            |            |            |            |            |
| General Fund                    | 4,678               | 19,488              | 19,488                | 19,488              | 19,488     | 19,488     | 19,488     | 19,488     | 19,488     |
| Total Transfers Out             | 4,678               | 19,488              | 19,488                | 19,488              | 19,488     | 19,488     | 19,488     | 19,488     | 19,488     |
| <b>Total Uses of Funds</b>      | 9,148,164           | 11,423,830          | 9,938,051             | 13,206,776          | 11,281,679 | 12,233,592 | 10,550,635 | 10,532,829 | 11,142,371 |
| <b>Ending Fund Balance (1)</b>  | \$ 5,627,877        | 3,879,090           | 5,995,144             | 2,759,198           | 1,522,339  | 583,236    | 514,254    | 723,759    | 591,144    |

(1) Excludes monies set aside for closure costs.

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
STORMWATER UTILITY FUND  
FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |           |           |           |           |           |
| <b>Beginning Fund Balance</b> | \$ 162,719          | 290,248             | 595,650               | 1,304,411           | 303,277   | 181,663   | 59,872    | 176,726   | 303,716   |
| Revenues                      |                     |                     |                       |                     |           |           |           |           |           |
| Stormwater Revenues           | 535,819             | 949,836             | 550,178               | 999,374             | 1,156,413 | 1,185,324 | 1,453,699 | 1,490,041 | 1,527,292 |
| User Fees                     | 127,337             | 64,910              | 64,910                | 66,533              | 68,196    | 69,901    | 71,649    | 73,440    | 75,276    |
| Permits                       | 675                 | 410                 | 250                   | 257                 | 263       | 270       | 277       | 284       | 291       |
| Grants                        | 1,394               | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| Interest Earnings             | 37,075              | 3,254               | 11,913                | 22,827              | 5,307     | 3,179     | 1,048     | 3,093     | 5,315     |
| Misc                          | 352                 | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| <b>Total Revenues</b>         | 702,652             | 1,018,410           | 627,251               | 1,088,991           | 1,230,180 | 1,258,674 | 1,526,672 | 1,566,858 | 1,608,174 |
| Transfers in                  |                     |                     |                       |                     |           |           |           |           |           |
| General Fund                  | 410,968             | 7,820,318           | 1,096,704             | 7,042,458           | 3,258,360 | 500,000   | -         | -         | -         |
| BBB-Beautification            | 200,000             | 565,000             | -                     | -                   | 287,500   | 287,500   | 287,500   | 287,500   | -         |
| 4th Street                    | -                   | 175,000             | 175,000               | -                   | -         | -         | -         | -         | -         |
| HURF                          | 75,000              | 850,000             | 850,000               | -                   | -         | -         | -         | -         | -         |
| <b>Total Transfers in</b>     | 685,968             | 9,410,318           | 2,121,704             | 7,042,458           | 3,545,860 | 787,500   | 287,500   | 287,500   | -         |
| <b>Total Sources of Funds</b> | 1,551,338           | 10,718,976          | 3,344,604             | 9,435,860           | 5,079,318 | 2,227,837 | 1,874,044 | 2,031,084 | 1,911,890 |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |           |           |           |           |           |
| Departments                   |                     |                     |                       |                     |           |           |           |           |           |
| Operating Expenditures        | 411,467             | 926,729             | 513,002               | 992,010             | 798,129   | 817,608   | 837,564   | 858,010   | 878,956   |
| Indirect Costs                | 56,618              | 139,279             | 139,279               | 159,674             | 163,666   | 167,757   | 171,951   | 176,250   | 180,656   |
| Operating Capital             | -                   | 30,000              | 19,090                | -                   | -         | -         | -         | -         | -         |
| Capital Expenditures          | 425,046             | 9,261,215           | 1,233,822             | 7,835,899           | 3,800,860 | 1,047,600 | 552,802   | 558,108   | 276,020   |
| Reserves/Contingencies        | 558                 | 10,000              | -                     | 10,000              | -         | -         | -         | -         | -         |
| <b>Total Expenditures</b>     | 893,689             | 10,367,223          | 1,905,193             | 8,997,583           | 4,762,655 | 2,032,965 | 1,562,318 | 1,592,368 | 1,335,633 |
| Transfers Out                 |                     |                     |                       |                     |           |           |           |           |           |
| Environmental Services        | 15,000              | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| HURF                          | 47,000              | 135,000             | 135,000               | 135,000             | 135,000   | 135,000   | 135,000   | 135,000   | 135,000   |
| <b>Total Transfers Out</b>    | 62,000              | 135,000             | 135,000               | 135,000             | 135,000   | 135,000   | 135,000   | 135,000   | 135,000   |
| <b>Total Uses of Funds</b>    | 955,689             | 10,502,223          | 2,040,193             | 9,132,583           | 4,897,655 | 2,167,965 | 1,697,318 | 1,727,368 | 1,470,633 |
| <b>Ending Fund Balance</b>    | \$ 595,650          | 216,753             | 1,304,411             | 303,277             | 181,663   | 59,872    | 176,726   | 303,716   | 441,257   |

Schedule 11: Five-year Plans

CITY OF FLAGSTAFF  
 FIREMEN'S PENSION FUNDS  
 FIVE YEAR PLAN 2007-2012

|                               | Actual<br>2004-2005 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|-------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Sources of Funds</b>       |                     |                     |                       |                     |           |           |           |           |           |
| <b>Beginning Fund Balance</b> | \$ 219,214          | 216,693             | 217,606               | 216,406             | 207,406   | 198,206   | 188,806   | 179,106   | 169,206   |
| Revenues                      |                     |                     |                       |                     |           |           |           |           |           |
| Interest on Investments       | 5,296               | 4,300               | 6,000                 | 5,400               | 5,200     | 5,000     | 4,700     | 4,500     | 4,200     |
| Miscellaneous Revenues        | 296                 | -                   | -                     | -                   | -         | -         | -         | -         | -         |
| Total Revenues                | 5,592               | 4,300               | 6,000                 | 5,400               | 5,200     | 5,000     | 4,700     | 4,500     | 4,200     |
| <b>Total Sources of Funds</b> | 224,806             | 220,993             | 223,606               | 221,806             | 212,606   | 203,206   | 193,506   | 183,606   | 173,406   |
| <b>Uses of Funds</b>          |                     |                     |                       |                     |           |           |           |           |           |
| Departments                   |                     |                     |                       |                     |           |           |           |           |           |
| Operating Expenditures        | 7,200               | 14,400              | 7,200                 | 14,400              | 14,400    | 14,400    | 14,400    | 14,400    | 14,400    |
| Total Expenditures            | 7,200               | 14,400              | 7,200                 | 14,400              | 14,400    | 14,400    | 14,400    | 14,400    | 14,400    |
| <b>Total Uses of Funds</b>    | 7,200               | 14,400              | 7,200                 | 14,400              | 14,400    | 14,400    | 14,400    | 14,400    | 14,400    |
| <b>Ending Fund Balance</b>    | \$ 217,606          | 206,593             | 216,406               | 207,406             | 198,206   | 188,806   | 179,106   | 169,206   | 159,006   |



# **GENERAL ADMINISTRATION DEPARTMENT MISSION**

It is the mission of the **City Manager's** office to direct and coordinate City staff to provide effective, efficient, and equitable implementation of Council policies and programs; and to provide representation of City Council policies to citizens, other governmental agencies/jurisdictions and any other entity important to the accomplishment of directives established by the City Council.

The mission of the **City Clerk's** office is to support the values of the community and to administer and safeguard the integrity of the municipal governing process by: conducting fair and open municipal elections; overseeing the timely and accurate accumulation, organization, dissemination, and accessibility to public records; and ensuring legal compliance of all official postings, public notices, and related advertising.

The mission of the **Human Resources Division** is to support the City of Flagstaff's commitment to enhancing partnerships with the citizens of our community by providing dependable service, addressing customer's concerns (both externally and internally), providing high-quality public service, and creating a work environment where initiative, teamwork, and creativity are encouraged and valued.

The mission of the **Risk Management Division** is to develop and maintain an integrated multi-disciplinary program for effective management of the City's resources, assets, and liabilities to protect its employees, property, and citizens and enable the City to achieve its primary aims of enhanced quality of life and service to its citizens.

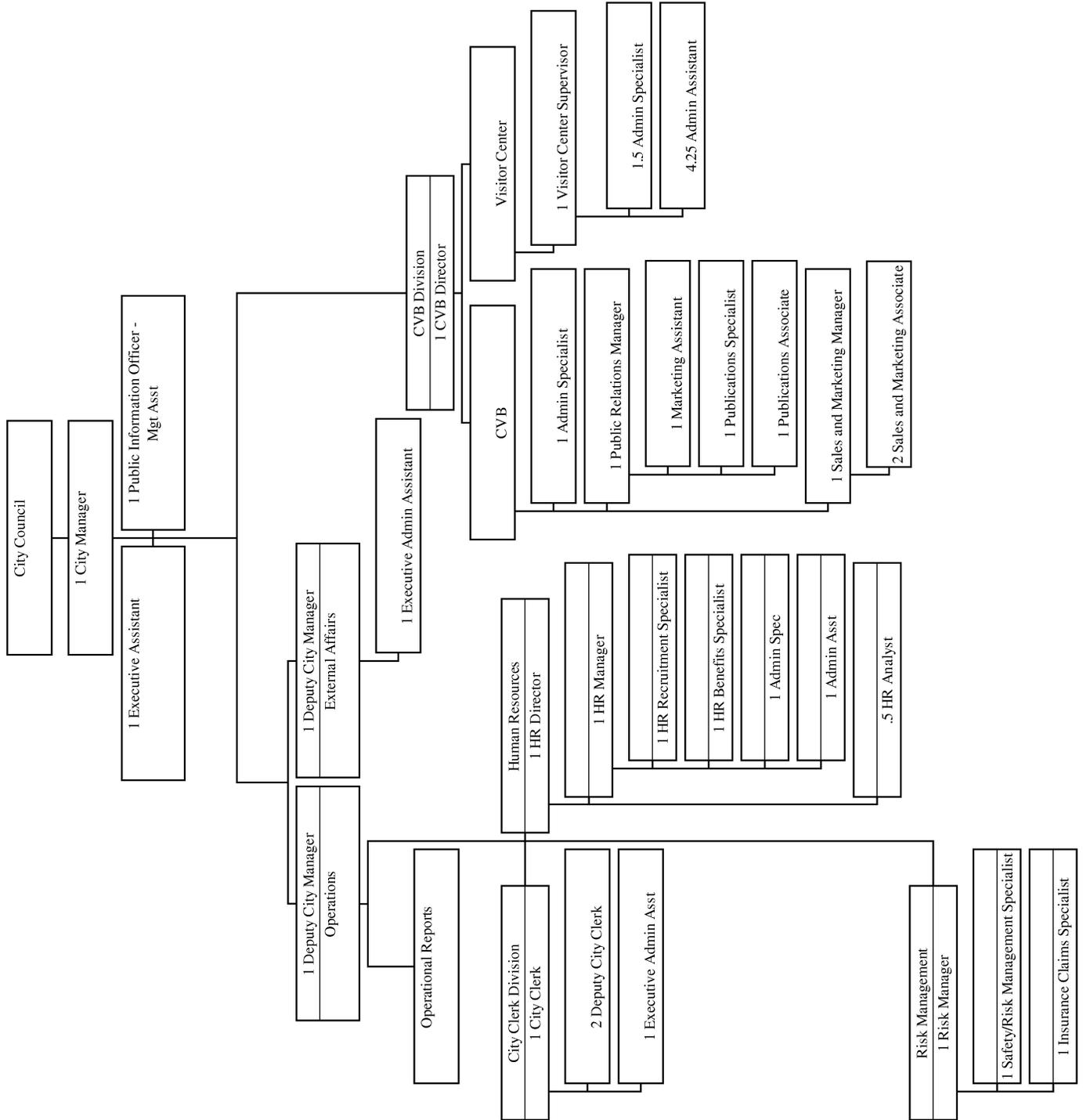
The mission of the **City Attorney's** office is to provide competent and sound legal advice and representation in matters involving or affecting the City.

The mission of the employees of the **Flagstaff Municipal Court** is to foster a positive and productive environment that promotes the efficient and effective administration of justice.

The mission of the **Convention and Visitors Bureau** is to develop, promote, and maintain Flagstaff as a year-round visitor destination with professional visitor services that will benefit the community economically, environmentally, and socially.

The mission of **Visitor Services** is to introduce and educate visitors about the vast tourism opportunities within Flagstaff and the surrounding areas, and to increase the frequency of visits and length of stay to Flagstaff.

# Administration



**MISSION**

The mission of the City Manager's office is to direct and coordinate City staff to provide effective, efficient, and equitable implementation of Council policies and programs; and to provide representation of City Council policies to citizens, other governmental agencies/jurisdictions and any other entity important to the accomplishment of directives established by the City Council.

**PROGRAM DESCRIPTION**

The City Manager is responsible for providing professional leadership in administering the programs and policies established by the Mayor and Council. The Manager informs and advises the Council on the affairs of the City, studies and proposes alternative solutions to community needs for Mayor and Council consideration, prepares and implements the annual financial plan, and coordinates the activities of all Departments/Divisions under his authority to provide effective services at the lowest possible costs.

**FY 06 ACCOMPLISHMENTS**

- ✓ Facilitated two successful City Council Budget Retreats and one Staff Retreat.
- ✓ City Manager held two all-city meetings with staff to facilitate discussion of current events within the City.
- ✓ Compiled weekly reports from the City Manager to the Community which are available for public access on the City website.
- ✓ Key City initiatives and activities provided in Cityscape quarterly. City website used as an important tool for citizens to access latest information on city issues, decision making and programs. Assisted in coordination of May 06 proposition information efforts. Assisted with communication on January winter weather problems and solutions.

**FY 07 NEW INITIATIVES**

- A member of the City Manager's staff will meet with each new employee within three months of hire.
- Improve e-government capabilities of City website and its use in emergency situations.
- Continually improving customer service to all constituents.

**PERFORMANCE MEASURES**

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** Timely dissemination of information on programs, activities and issues.

**Objective:** Provide, through a variety of mediums, timely and consistent information to the public about City issues, programs and services.

| Measures:  | CY 04 Actual     | CY 05 Actual     | CY 06 Estimate   | CY 07 Proposed   |
|--|------------------|------------------|------------------|------------------|
| Number of live and taped television reports in a year. | 50 reports/year  | 50 reports/year  | 50 reports/year  | 50 reports/year  |
| Number of live and taped radio reports in a year.      | 100 reports/year | 100 reports/year | 100 reports/year | 100 reports/year |
| Special Sunday inserts in the Arizona Daily Sun.       | 0                | 15               | 20               | 20               |

**Council Priority/Goal: ORGANIZATIONAL SUPPORT**

**Goal:** Provide direction and support of the Utilities Department, Legal Department, regional partners, and Federal and State agencies to developing long-range water acquisition policies.

**Objective:** Development of long-range water acquisition policies.

| Measures:                                     | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|---|--------------|--------------|----------------|----------------|
| Implement long range water acquisition policy | N/A          | N/A          | 6/30/07        | 6/30/07        |

**Council Priority/Goal: CUSTOMER SERVICE****Goal:** Promote and provide excellent customer service to constituents.**Objective:** Act responsively to the customers of the City Manager's Office

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Return phone calls to citizens within 24 hours.   | N/A             | N/A             | yes               | yes               |
| Provide solutions to citizen's problems directly without unnecessarily transferring calls to other departments. | N/A             | N/A             | yes               | yes               |
| Provide the same responses to internal customers  | N/A             | N/A             | yes               | yes               |

**Council Priority/Goal: ORGANIZATIONAL SUPPORT****Goal:** Support the City's Leadership Development Program to ensure a smooth transition in key leadership positions throughout the organization.**Objective:** Develop and partake in succession planning program.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Successful transition for 90% of leadership positions | N/A             | N/A             | 90%               | 90%               |

**Council Priority/Goal: COLLABORATION****Goal:** Working with CD and our Economic Development community partners, develop a set of comprehensive economic development policies and procedures to include a process to administer economic incentives.**Objective:** Work collaboratively with GFEC to develop policies and procedures to administer economic incentives

| Measures:                                 | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Implementation of policies and procedures | N/A             | N/A             | 6/30/07           | 6/30/07           |

**Council Priority/Goal: COLLABORATION****Goal:** Ensure the effective coordination of the various Workforce Housing initiatives being examined by various community agencies, governmental agencies and City staff.**Objective:** Development & successful implementation of workforce housing initiatives.

| Measures:                             | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---------------------------------------|-----------------|-----------------|-------------------|-------------------|
| Passage of Prop 404 May 2006 election | N/A             | N/A             | Yes               | Yes               |
| Implementation of initiatives         | N/A             | N/A             | 6/30/07           | 6/30/07           |

**Council Priority/Goal: COLLABORATION****Goal:** Coordination of regional communicators to work on local issues that can impact community.**Objective:** Become educated and trained and prepare communication plans for emergencies.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| At least four meetings of all area PIO's in a year              | 2               | 2               | 4                 | 4                 |
| Develop a regional communication plan for area emergencies      | 0               | 0               | 0                 | 1                 |
| Participate in at least two emergency training drills in a year | 1               | 2               | 2                 | 2                 |

**Council Priority/Goal: CUSTOMER SERVICE****Goal:** Maintain high level of internal and external customer service.**Objective:** Assist with consistent customer service orientation and training of new and existing employees.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| 2 to 4 training session a year                        | 0               | 2               | 4                 | 4                 |
| Develop additional staff as customer service trainers | 0               | 0               | 0                 | 2                 |
| Annual citizen survey of city services                | 1               | 1               | 1                 | 1                 |

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 637,943                          | \$ 675,301                     | \$ 680,026                             | \$ 714,524                      | \$ 39,223                 |
| CONTRACTUAL   | 152,538                             | 185,355                        | 148,029                                | 197,145                         | 11,790                    |
| COMMODITIES   | 11,088                              | 11,775                         | 20,453                                 | 12,625                          | 850                       |
| CAPITAL   | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 801,569</b>                   | <b>\$ 872,431</b>              | <b>\$ 848,508</b>                      | <b>\$ 924,294</b>               | <b>\$ 51,863</b>          |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 681,413                          | \$ 719,721                     | \$ 729,401                             | \$ 768,514                      | \$ 48,793                 |
| DISABILITY AWARENESS  | 1,215                               | 4,110                          | 7,858                                  | 4,480                           | 370                       |
| TEEN WORKS  | -                                   | -                              | -                                      | -                               | -                         |
| PUBLIC INFORMATION  | 97,999                              | 104,550                        | 88,500                                 | 104,550                         | -                         |
| CUSTOMER SERVICE  | 20,942                              | 44,050                         | 22,749                                 | 46,750                          | 2,700                     |
| <b>TOTAL</b>  | <b>\$ 801,569</b>                   | <b>\$ 872,431</b>              | <b>\$ 848,508</b>                      | <b>\$ 924,294</b>               | <b>\$ 51,863</b>          |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| GENERAL FUND  |                                     |                                |  | \$ 528,569                      |                           |
| LIBRARY FUND  |                                     |                                |  | 48,757                          |                           |
| HIGHWAY USER REVENUE FUND   |                                     |                                |  | 101,862                         |                           |
| WATER AND WASTEWATER FUND   |                                     |                                |  | 124,052                         |                           |
| STORMWATER FUND   |                                     |                                |  | 8,822                           |                           |
| AIRPORT FUND  |                                     |                                |  | 20,534                          |                           |
| ENVIRONMENTAL SERVICES FUND   |                                     |                                |  | 91,698                          |                           |
|   |                                     |                                |  | <b>\$ 924,294</b>               |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| The City Manager's operating budget has increased 6% and there are no capital expenditures. Personal services increase is due to a 9% pay plan adjustment and increases in ASRS, health insurance, and dental insurance. Contractuals increase is due to travel, lodging, meals and advertising due to increased costs. Commodities reflects no major increase/decrease. There is no major capital (>\$10,000) for this division. |                                     |                                |  |                                 |                           |

**MISSION**

The mission of the City Clerk’s office is to support the values of the community and to administer and safeguard the integrity of the municipal governing process by: conducting fair and open municipal elections, overseeing the timely and accurate accumulation, organization, dissemination, and accessibility to public records; and ensuring legal compliance of all official postings, public notices, and related advertising.

**PROGRAM DESCRIPTION**

As required by the City Charter, the City Clerk maintains the official documents of the City, such as council meeting minutes, ordinances (including codification), resolutions, deeds, contracts, easements, rights-of-way, and leases. The City Clerk conducts all City elections, coordinates the Council’s boards and commissions; conducts board and commission member training and maintains the board and commission member handbook; prepares the Council meeting, work session, and executive session agendas; oversees the City’s record management program; oversees and maintains City’s policies and procedures; administers the City Council/City Clerk postings on the website; and ensures legal requirements regarding official posting, public notices, publishing, and advertising are met.

**FY 06 ACCOMPLISHMENTS**

- ✓ Conducted May 2006 General Election (March Primary Cancelled)
- ✓ Continued Training for New Members of the City Clerk’s Division
- ✓ Redesigned and reinitiated Board and Commission Member Training
- ✓ Conducted Training for Staff Liaisons to Boards and Commissions
- ✓ Expanded Website Service
- ✓ Continued Working on the standardization, publishing, and distribution of the revised City Policy Manual

**FY 07 NEW INITIATIVES**

- Update the Board and Commissions Section of City Code
- Train 75-85% of the City’s Board and Commission Members
- Continue Expansion of Website Services
- Conduct Possible 2007 Special Election
- Finalize the City Policy Manual

**PERFORMANCE MEASURES**

**Council Priority/Goal: ORGANIZATIONAL SUPPORT**

**Goal:** Training of new staff members

**Objective:** To provide training opportunities pertinent to staff needs.

| Measures:  | CY 04 Actual | CY 05 Actual | CY 06 Estimate       | CY 07 Proposed |
|--|--------------|--------------|----------------------|----------------|
| The City Clerk has attended the AMCA Clerks’ Academy, AMCA Annual Conference, and Elections Training and participated in leadership talent development training            | N/A          | N/A          | Completed by 6/30/06 | N/A            |
| The Deputy City Clerk has attended the AMCA Clerk’s Institute, AMCA Annual Conference, and Elections Training; and additional miscellaneous training has been budgeted for | N/A          | N/A          | Completed by 6/30/06 | N/A            |
| The Executive Administrative Assistant has a budget for local, training of her choice  | N/A          | N/A          | N/A                  | By 6/30/07     |

**Council Priority/Goal: Fiscal Health, Affordable Housing, Capital Improvement, Quality of Life, Customer Service****Goal:** Conducted May, 2006 General Election**Objective:** To conduct the General Election in compliance with all laws and present ballot questions to the voters in a clear and concise way.

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Received Justice Department Pre-clearance  | N/A                     | N/A                     | Completed<br>by 6/30/06   | N/A                       |
| All notices were translated and published in accordance with established timelines | N/A                     | N/A                     | 100%                      | N/A                       |
| No complaints of election irregularities were received                             | N/A                     | N/A                     | 100%                      | 100%                      |

**Council Priority/Goal: Organizational Support****Goal:** Board and Commission Member Training**Objective:** Redesign and Reinitiate Board and Commission Member Training

| <b>Measures:</b>  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Board and Commission Member Handbook updated and distributed to all Boards and Commission members and Staff Liaison and posted on the City's website as a fully linked document | N/A                     | N/A                     | 100%                      | N/A                       |
| Board and Commission member training and Staff Liaison training redesigned  | N/A                     | N/A                     | 100%                      | N/A                       |
| Two Board and Commission member training sessions Conducted and One Staff Liaison training conducted  | N/A                     | N/A                     | 100%                      | N/A                       |

| <b>EXPENDITURES BY CATEGORY:</b>   |                                     |                                |  |                                 |                           |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES  | \$ 175,323                          | \$ 186,016                     | \$ 193,784                             | \$ 252,696                      | \$ 66,680                 |
| CONTRACTUAL  | 80,045                              | 115,713                        | 95,268                                 | 23,351                          | (92,362)                  |
| COMMODITIES  | 1,424                               | 4,655                          | 5,348                                  | 9,085                           | 4,430                     |
| CAPITAL  | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>   | <b>\$ 256,792</b>                   | <b>\$ 306,384</b>              | <b>\$ 294,400</b>                      | <b>\$ 285,132</b>               | <b>\$ (21,252)</b>        |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION   | \$ 190,782                          | \$ 212,484                     | \$ 211,022                             | \$ 285,132                      | \$ 72,648                 |
| ELECTIONS  | 66,010                              | 93,900                         | 83,378                                 | -                               | (93,900)                  |
| <b>TOTAL</b>   | <b>\$ 256,792</b>                   | <b>\$ 306,384</b>              | <b>\$ 294,400</b>                      | <b>\$ 285,132</b>               | <b>\$ (21,252)</b>        |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
|  | GENERAL FUND                        |                                |  | \$ 182,731                      |                           |
|  | LIBRARY FUND                        |                                |  | 9,513                           |                           |
|  | HIGHWAY USER REVENUE FUND           |                                |  | 29,451                          |                           |
|  | WATER AND WASTEWATER FUND           |                                |  | 33,457                          |                           |
|  | STORMWATER FUND                     |                                |  | 1,549                           |                           |
|  | AIRPORT FUND                        |                                |  | 5,689                           |                           |
|  | ENVIRONMENTAL SERVICES FUND         |                                |  | 22,742                          |                           |
|  |                                     |                                |  | <b>\$ 285,132</b>               |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| The City Clerk's operating budget has decreased 7% with no capital expenditures. Personal Services increase is due to a 1.0 FTE staffing addition for a Deputy City Clerk. In addition, there is a 9% pay plan adjustment and increases in ASRS, health insurance, and dental insurance. Contractuals decrease is due to prior year one-time election expenditures. Commodities increase is due to computer, office equipment and supplies for the new FTE. There is no major capital (>\$10,000) for this division. |                                     |                                |  |                                 |                           |

**MISSION**

The mission of the Human Resources division is to support the City of Flagstaff's commitment to enhancing partnerships with the citizens of our community by providing dependable service, addressing customer's concerns (both externally and internally), providing high-quality public service, and creating a work environment where initiative, teamwork, and creativity are encouraged and valued.

**PROGRAM DESCRIPTION**

Human Resources is responsible for all areas impacting employees and potential employees. These functions include recruitment and selection, employee grievance and appeals resolution, classification and compensation, organizational development, employee development and training, employee benefits and services, and equal employment opportunity and affirmative action.

**FY 06 ACCOMPLISHMENTS**

- ✓ Implemented the Leadership Talent Development Program.
- ✓ Addressed the areas for improvement that were identified in the Climate Survey.
- ✓ Implemented Skill Base Pay at Lake Mary.

- ✓ Broad Banded Project Manager Positions.
- ✓ Paramedics were rolled into the assignment pay process as part of the three-year phase in for assignment pay.
- ✓ Mechanic's tool allowance was increased from \$300 to \$600 (paid on a reimbursement basis).
- ✓ Revised the Drug and Alcohol policy for non-CLD employees.
- ✓ Revised the Acting Pay and Residency Ordinance.
- ✓ Developed and presented workshops on "Positive Corrective Action" and "EPA Training."

**FY 07 NEW INITIATIVES**

- Integrate the Leadership Talent and Development Program (LTDP) into the City's processes and procedures.
- Integrate competency profiles that were identified in the LTDP into the interview process and move toward behavioral interviewing.
- Develop a formal mentoring program to assist new employees in becoming familiar with the City processes and culture.
- Develop a city-wide "Standby" Policy.
- Automate the FMLA component in City's computerized system.
- Implement a triple option health care plan.
- Develop an Ethics Policy.
- Develop more in-house training to meet the needs of new employees.

**PERFORMANCE MEASURES**

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Determine a base-line regarding employee opinions on topics related to career opportunities, job satisfaction, pay and benefits, supervision etc.

**Objective:** Address the issues that were identified in the Climate Survey and measure improvements by conducting a survey in FY 07-08.

| Measures:                                   | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|---|--------------|--------------|----------------|----------------|
| Identify 4 areas for improvement by 6/30/06 | N/A          | N/A          | 6/30/06        | N/A            |
| Implement at least 2 recommendations        | N/A          | 1            | 2              | 2              |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Develop guidelines so that employees understand the importance of maintaining the highest standards of personal integrity, truthfulness, honesty, and fairness in carrying out their public duties.

**Objective:** Develop an Ethics policy.

| Measures:                             | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|---------------------------------------|--------------|--------------|----------------|----------------|
| Ethics policy is developed by 6/30/07 | N/A          | N/A          | 6/30/07        | 6/30/07        |

**Council Priority/Goal: ORGANIZATIONAL SUPPORT****Goal:** Address the need for succession planning**Objective:** Develop a program to identify employees who can assume leadership roles as needed across a broad spectrum of the organization.

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Train managers and supervisors in all departments - "Setting a Climate for Development" (number of departments)  | 1                       | 3                       | 2                         | 1                         |
| Provide career development for employees who are interested in assuming leadership roles - "Taking Charge of Your Own Career Development" (number of participants) | N/A                     | 60                      | 60                        | 40                        |

**Council Priority/Goal: ORGANIZATION SUPPORT****Goal:** Maintain a compensation and benefits system that is internally equitable and externally competitive within the financial capability of the City.**Objective:** Align salaries with market and offer health insurance options for employees.

| <b>Measures:</b>                                       | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Provide a salary structure that aligns with market     | 3%                      | 5%                      | 9%                        | 2%                        |
| Provide health insurance options for employees by 1/07 | N/A                     | N/A                     | 1/07                      | 1/07                      |

**Council Priority/Goal: ORGANIZATIONAL SUPPORT****Goal:** Professional Development**Objective:** Identify and develop training programs to enhance employees' professional development.

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Develop at least two workshops to address employee development | N/A                     | 2                       | 2                         | 2                         |

| <b>EXPENDITURES BY CATEGORY:</b>   |                                     |                                |  |                                 |                           |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES  | \$ 317,080                          | \$ 375,969                     | \$ 369,722                             | \$ 442,690                      | \$ 66,721                 |
| CONTRACTUAL  | 60,376                              | 79,604                         | 79,777                                 | 79,420                          | (184)                     |
| COMMODITIES  | 39,004                              | 25,854                         | 25,861                                 | 26,025                          | 171                       |
| CAPITAL  | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>   | <b>\$ 416,460</b>                   | <b>\$ 481,427</b>              | <b>\$ 475,360</b>                      | <b>\$ 548,135</b>               | <b>\$ 66,708</b>          |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION   | \$ 266,740                          | \$ 318,645                     | \$ 313,578                             | \$ 386,732                      | \$ 68,087                 |
| RECRUITMENT AND SELECTION  | 63,885                              | 66,492                         | 66,892                                 | 62,425                          | (4,067)                   |
| COMPENSATION AND CLASS.  | -                                   | 200                            | 50                                     | 1,000                           | 800                       |
| TRAINING & DEVELOPMENT   | 85,637                              | 94,565                         | 93,765                                 | 96,453                          | 1,888                     |
| DIVERSITY AWARENESS COMM.  | 198                                 | 1,525                          | 1,075                                  | 1,525                           | -                         |
| <b>TOTAL</b>   | <b>\$ 416,460</b>                   | <b>\$ 481,427</b>              | <b>\$ 475,360</b>                      | <b>\$ 548,135</b>               | <b>\$ 66,708</b>          |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
|  | GENERAL FUND                        |                                |  | \$ 441,217                      |                           |
|  | LIBRARY FUND                        |                                |  | 27,109                          |                           |
|  | HIGHWAY USER REVENUE FUND           |                                |  | 24,232                          |                           |
|  | WATER AND WASTEWATER FUND           |                                |  | 45,117                          |                           |
|  | STORMWATER FUND                     |                                |  | 3,674                           |                           |
|  | AIRPORT FUND                        |                                |  | 6,786                           |                           |
|  |                                     |                                |  | <b>\$ 548,135</b>               |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| <p>The Human Resources operating budget has increased 14% and there are no capital expenditures. Increase in Personal Services is due to 1.0 FTE staffing addition for an HR Benefits Specialist. In addition, there is a 9% pay plan adjustment and increases in ASRS, health insurance, and dental insurance. One-time Contractual expenditures include \$1,200 Advertising for new position and Citywide recruitment brochures of \$1,500 for job fairs. One-time Commodities expenditures include \$3,400 for office/computer equipment and office supplies for new position and \$1,500 supplies for job fairs. There is no major capital (&gt;\$10,000) for this division.</p> |                                     |                                |  |                                 |                           |

**MISSION**

The mission of the Risk Management division is to develop and maintain an integrated multi-disciplinary program for effective management of the City's resources, assets and liabilities, to protect its employees, property, and citizens and enable the City to achieve its primary aims of enhanced quality of life and service to its citizens.

**PROGRAM DESCRIPTION**

The Risk Management division is responsible for control of risk and focuses on the protection of the City's human, financial and physical assets. The protection and well-being of employees and the public is of utmost priority and financial and physical assets provide us with the tools to accomplish the City's mission of service to its citizens.

**FY 06 ACCOMPLISHMENTS**

- ✓ Liability claims - 57 closed during calendar year 2005

- ✓ \$29,700 was collected from negligent 3<sup>rd</sup> parties in calendar year 2005.
- ✓ Trained over 300 employees in a variety of safety oriented classes.
- ✓ Workers compensation frequency rates improved by 10% - the lowest annual total in 5 years.
- ✓ Workers compensation severity as measured by lost time cases improved by 47% - the lowest annual total in 5 years.
- ✓ Public Works safety committee formalized.

**FY 07 NEW INITIATIVES**

- Update insurance and indemnification manual for distribution and implementation.
- Develop additional in-house training tailored to meet department needs.
- Support, train and empower departmental safety committees.
- Implement new performance measurements to allow for improved ICMA benchmarking.

**PERFORMANCE MEASURES**

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** To provide a safer working environment for employees

**Objective:** Reduce injury by educating employees in proper safety procedures.

| Measures:   | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|---|--------------|--------------|----------------|----------------|
| Number of OSHA compliance and general safety training classes presented | N/A          | N/A          | 15             | 24             |
| Percent increase in number of safety training classes.                  | N/A          | N/A          | N/A            | 10%            |
| Percent increase in number of employees trained                         | N/A          | N/A          | N/A            | 10%            |

**Council Priority/Goal: PUBLIC SAFETY****Goal:** To provide a safer environment for the general public and employees on City premises.**Objective:** Reduce frequency and severity of injury and loss by performing safety inspections and implementing recommendations.

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b>    | <b>CY 07<br/>Proposed</b>    |
|--|-------------------------|-------------------------|------------------------------|------------------------------|
| Number of safety inspections and ergonomic evaluations   | 13                      | 12                      | 28                           | 24                           |
| Conduct Accident Review Board meetings   | 9                       | 8                       | 11                           | 11                           |
| Number of recommendations promulgated from ARB and safety committees   |                         |                         |                              | 25                           |
| Reduce number of workers compensation claims as compared to previous year by stated %                                | 0%                      | Down 10%                | 7.5                          | 7.5                          |
| Measure success of Return to Work & Sick Industrial program by number of lost workdays as compared to ICMA benchmark | Down by 35%             | Down by 12%             | No greater than 5% variance. | No greater than 5% variance. |

**Council Priority/Goal: CUSTOMER SERVICE****Goal:** To be responsive to internal customers needs and requests.**Objective:** Respond to internal customers in a timely manner.

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Number of documents reviewed for risk transfer or risk assessment including contracts, certificates and events | N/A                     | N/A                     | N/A                       | 120                       |
| Percent of risk assessments conducted within 3 days of original request  | N/A                     | N/A                     | N/A                       | 90%                       |
| Percent of loss control and insurance issues resolved within 3 days for all requests                           | N/A                     | N/A                     | N/A                       | 90%                       |

**Council Priority/Goal: CUSTOMER SERVICE****Goal:** To be responsive to external customers needs.**Objective:** Respond to external customers needs in a timely manner.

| <b>Measures:</b>  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Average number of calendar days from receipt of complete claim to claim closure (Non-litigated) | N/A                     | 38                      | 25                        | 25                        |
| Percent of complete non-litigation citizen claims closed within 30 days                         | N/A                     | N/A                     | 80%                       | 80%                       |

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 119,515                          | \$ 130,619                     | \$ 131,371                             | \$ 198,194                      | \$ 67,575                 |
| CONTRACTUAL   | 4,472                               | 18,475                         | 14,775                                 | 21,735                          | 3,260                     |
| COMMODITIES   | 2,020                               | 2,585                          | 2,306                                  | 8,685                           | 6,100                     |
| CAPITAL   | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 126,007</b>                   | <b>\$ 151,679</b>              | <b>\$ 148,452</b>                      | <b>\$ 228,614</b>               | <b>\$ 76,935</b>          |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| ADMINISTRATION  | \$ 126,007                          | \$ 151,679                     | \$ 148,452                             | \$ 228,614                      | \$ 76,935                 |
| <b>TOTAL</b>  | <b>\$ 126,007</b>                   | <b>\$ 151,679</b>              | <b>\$ 148,452</b>                      | <b>\$ 228,614</b>               | <b>\$ 76,935</b>          |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
|   | GENERAL FUND                        |                                |  | \$ 171,943                      |                           |
|   | LIBRARY FUND                        |                                |  | 8,627                           |                           |
|   | HIGHWAY USER REVENUE FUND           |                                |  | 15,403                          |                           |
|   | WATER AND WASTEWATER FUND           |                                |  | 19,843                          |                           |
|   | STORMWATER FUND                     |                                |  | 1,209                           |                           |
|   | AIRPORT FUND                        |                                |  | 3,301                           |                           |
|   | ENVIRONMENTAL SERVICES FUND         |                                |  | 8,288                           |                           |
|   |                                     |                                |  | <b>\$ 228,614</b>               |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| Risk Management operating budget has increased 51% and there are no capital expenditures. Personal Services increase is due to 1.0 FTE staffing addition for Insurance Claims Specialist. In addition, there is a 9% pay plan adjustment and increases in ASRS, health insurance, and dental insurance. Contractual and Commodities increases are due to computer/office equipment, office supplies, and AIC certification for new position. There is no major capital (>\$10,000) for this division. |                                     |                                |  |                                 |                           |

**MISSION**

The mission of the City Attorney's office is to provide competent and sound legal advice and representation in matters involving or affecting the City.

Manager, the City departments, and the City's boards and commissions. This division represents the City in civil litigation and represents the City and the State of Arizona in criminal misdemeanor cases occurring within the City limits. This division also prepares or reviews all contracts, ordinances, resolutions or other legal documents involving the City.

**PROGRAM DESCRIPTION**

The Law Division assures the legality of the official business of the City of Flagstaff by providing legal advice and opinions to the Mayor and Council, the City

**FY 06 ACCOMPLISHMENTS****CUSTOMER SERVICE / ORGANIZATIONAL SUPPORT**

| <b>Requests for Legal Assistance</b>                                 | <b>2004</b> | <b>2005</b> |
|--|-------------|-------------|
| Contracts (includes contracts, development agreements, grants, IGAs) | 90          | 200         |
| Legal Opinions/Research  | 35          | 54          |
| Ordinances/Resolutions   | 124         | 157         |
| Real Estate  | 19          | 36          |
| Claims/Litigation/Hearings   | 17          | 18          |
| Miscellaneous  | 77          | 59          |
| <b>Total:</b>  | <b>362</b>  | <b>524</b>  |

✓ A primary goal of the City Attorney's Office is to support the work of City Departments. As the above chart indicates, the requests for legal assistance are numerous and growing. There has been a 31% increase in overall requests, with a 35% increase in requests for research/legal opinions, a 55% increase in contract review of all types, a 47% increase in real

property work, and a 21% increase in ordinances and resolutions reviewed. In addition, the Office responds to telephone and email requests for routine legal guidance within a day or two, and sooner when possible. Of the 524 formal requests for legal assistance made in 2005, 90% have been completed and 10% are continuing projects.

**PUBLIC SAFETY**

| <b>Criminal Cases</b>                   | <b>CY03</b>   | <b>CY04</b>  | <b>CY05</b>  |
|---|---------------|--------------|--------------|
| New Criminal Cases                      | 3,840         | 3,637        | 3,604        |
| Domestic Violence Cases                 | 693           | 607          | 529          |
| Driving under the influence (DUI) cases | 699           | 697          | 679          |
| Criminal Traffic Cases (excluding DUI)  | 662           | 572          | 623          |
| Sales Tax Cases                         | 26            | 27           | 39           |
| Other Cases                             | 1,185         | 1,229        | 1,334        |
| Underage Alcohol                        | 182           | 179          | 93           |
| Drug/Drug paraphernalia cases           | N/A           | 326          | 307          |
| Undesignated Cases                      | 393           | 0            | 0            |
| Cases Involving a Victim                | 685           | 622          | 693          |
| Pending DUI files at year end           | 218           | 187          | 204          |
| <b>Total:</b>                           | <b>4,743</b>  | <b>4,446</b> | <b>4,501</b> |
| <b>% Increase from Prior Year:</b>      | Not Available | -7%          | 1%           |

✓ Vigorous enforcement of the City’s and State’s laws is a necessary part of preserving public safety in the City. The City Attorney’s Office handles the prosecution of misdemeanor offenses in Municipal Court, as well as notifying victims of the progress of the case and informing victims of their rights. The above chart shows numbers for some of the types of cases the Office prosecutes. The Office also handles criminal conflict cases from other agencies such as the Coconino County Attorney’s Office and the Sedona and Williams City Attorney’s Offices, and certain felony cases that the Coconino County Attorney’s Office declines to prosecute as felonies and refers to be prosecuted as misdemeanors, such as assault, theft, criminal damage, harassment, and possession of methamphetamine paraphernalia. In addition to prosecuting all criminal cases in Flagstaff Municipal Court, prosecutors also become involved in civil traffic cases upon request from the Police Department or if there is an attorney representing the defendant. Prosecutors also handle all criminal and civil traffic appeals from the Municipal Court to the Superior Court.

The Office also reviews numerous requests for charging that come to the Office on a weekly basis from police officers and citizens, and draft and file complaints or decline charging as appropriate. The Office also coordinates with Coconino County Drug Court to enroll appropriate candidates into that program.

**QUALITY OF LIFE**

✓ Some of the more time intensive cases the Prosecutors handle are those involving nuisance type violations of City ordinances—usually “quality of

life” issues for our community. Prosecutors work with Zoning and Clean ‘n Green enforcement officers to charge, prosecute and seek abatement of those types of violations, many of which arise under the City’s Land Development Code, Building Code and Litter Ordinance.

**ECONOMIC DEVELOPMENT**

✓ The City Attorney’s Office has been actively involved in supporting staff’s negotiations and drafting documents in economic development activities with Northern Arizona University and other entities, including a conference center and a business incubator project.

**AFFORDABLE HOUSING**

✓ The City Attorney’s Office has drafted documents for the creation of the City’s land trust for affordable housing, has provided legal research and advice concerning incentives and options for funding low-income and workforce housing, and responded to legal concerns raised by staff, council and the workforce housing policy task force. The Office has also negotiated and drafted the development agreement for Schultz Pass Meadows which includes a workforce housing component, and has been involved in ongoing negotiations for enforcement of the affordable housing provisions of other development agreements.

**PLANNING FOR GROWTH**

✓ The City Attorney’s Office has worked with the Community Development Department in providing legal advice, support, and reviewing documents and ordinances concerning the implementation of the Regional Plan through an Intergovernmental Agreement with Coconino County, the amendment of the Regional Plan concerning large development projects, and the re-designation of areas designated Planning Reserve areas. The Office has also negotiated several development agreements and participated in enforcement of existing agreements to ensure that future development is built as planned.

**FISCAL RESPONSIBILITY**

✓ The City Attorney’s Office has been seeking to limit the City’s expenditures on outside legal counsel by doing more of the human resources work in-house, handling certain negotiations and hearings, and by hiring a new attorney to coordinate claims review and supervise outside litigation. The Office is also seeking to streamline its review of real property, procurement, and alternative delivery construction contracts by developing and updating standard processes and forms, with the purposes of ensuring legal compliance, reducing review times, and achieving cost savings.

**COLLABORATION**

✓ The City Attorney’s Office has drafted and reviewed numerous intergovernmental agreements with other public entities, including the Arizona Department of Transportation, Coconino County, Northern Arizona University, fire districts, and school districts. The Office also participated in strategic planning for Coconino County Courts and regional emergency response training. In addition, the City Prosecutor has been actively involved in regional criminal justice issues through participation in the Coconino County Criminal Justice Integration Project, the Coconino County Criminal Justice Coordinating Council, the Arizona Criminal Misdemeanor Issues Group and the development of a mental health court program for Flagstaff Municipal Court—a first in Coconino County.

**FY 07 NEW INITIATIVES**

- Create policies and procedures for public records requests and retention
- Rewrite of the Land Development Code
- Emergency Response – legal manual

**PERFORMANCE MEASURES**

**Council Priority/Goal: AFFORDABLE HOUSING**

**Goal:** Support the City’s Housing Programs

**Objective:** Create legal documents and provide support to Community Development for the launching of the City’s Community Land Trust in FY 2007.

| <b>Measures:</b>                                   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Approval of the land lease                         | N/A                     | N/A                     | N/A                       | Complete by 6/30/07       |
| Approval of the eligibility regulations            | N/A                     | N/A                     | N/A                       | Complete by 6/30/07       |
| Develop contract documents for development project | N/A                     | N/A                     | N/A                       | Complete by 6/30/07       |

**Council Priority/Goal: CAPITAL IMPROVEMENTS****Goal:** Provide legal support to improve efficiencies in contract delivery**Objective:** Create templates and update existing agreements and processes for procurements and alternative delivery methods.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed   |
|---|-----------------|-----------------|-------------------|---------------------|
| Create templates for Rio de Flag project                    | N/A             | N/A             | N/A               | Complete by 6/30/07 |
| Develop contracts/procedures for Job Order Contracting      | N/A             | N/A             | N/A               | Complete by 6/30/07 |
| Review/update/standardize existing agreements and processes | N/A             | N/A             | N/A               | Complete by 6/30/07 |

**Council Priority/Goal: CUSTOMER SERVICE****Goal:** Maintain Open Records in a legally sustainable manner**Objective:** 1. Provide public records access to external customers  
2. Provide privacy protections  
3. Provide guidance on the collection and release of records to internal customers

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed   |
|--|-----------------|-----------------|-------------------|---------------------|
| Develop new policies and schedules for maintenance, release, redaction, and destruction of records | N/A             | N/A             | N/A               | Complete by 6/30/07 |
| Create forms for requests and responses  | N/A             | N/A             | N/A               | Complete by 6/30/07 |

**Council Priority/Goal: PLANNING FOR GROWTH****Goal:** Provide legal support for the City's planning efforts in a timely and effective manner**Objective:** 1. Create template development agreement  
2. Provide legal review and support for rewrite of the Land Development Code

| Measures:                             | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed   |
|---------------------------------------|-----------------|-----------------|-------------------|---------------------|
| Creation of form agreement            | N/A             | N/A             | N/A               | Complete by 6/30/07 |
| Percentage completion of Code rewrite | N/A             | N/A             | 50%               | 100%                |

**Council Priority/Goal: PUBLIC SAFETY****Goal:** Support the public safety efforts of the police and fire departments**Objective:** 1. Prepare legal documents and procedures for Emergency Response events  
2. Prosecute in a timely manner misdemeanor cases where the defendant appears

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed   |
|--|-----------------|-----------------|-------------------|---------------------|
| Create a handbook that includes laws, procedures, and forms for major emergency events | N/A             | N/A             | N/A               | Complete by 6/30/07 |
| Percentage of DUI cases closed within three months of first pretrial conference        | N/A             | N/A             | 90%               | 90%                 |

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 865,575                          | \$ 1,068,788                   | \$ 1,074,381                           | \$ 1,259,039                    | \$ 190,251                |
| CONTRACTUAL   | 26,504                              | 35,430                         | 35,573                                 | 41,410                          | 5,980                     |
| COMMODITIES   | 22,850                              | 45,025                         | 37,442                                 | 37,125                          | (7,900)                   |
| CAPITAL   | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 914,929</b>                   | <b>\$ 1,149,243</b>            | <b>\$ 1,147,396</b>                    | <b>\$ 1,337,574</b>             | <b>\$ 188,331</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 97,407                           | \$ 296,044                     | \$ 253,678                             | \$ 234,864                      | \$ (61,180)               |
| COUNCIL, COMM & DEPT'S  | 402,719                             | 412,547                        | 459,824                                | 594,610                         | 182,063                   |
| POLICE COURT  | 414,803                             | 440,652                        | 433,894                                | 508,100                         | 67,448                    |
| <b>TOTAL</b>  | <b>\$ 914,929</b>                   | <b>\$ 1,149,243</b>            | <b>\$ 1,147,396</b>                    | <b>\$ 1,337,574</b>             | <b>\$ 188,331</b>         |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
|   | GENERAL FUND                        |                                |  | \$ 1,134,232                    |                           |
|   | LIBRARY FUND                        |                                |  | 19,200                          |                           |
|   | HIGHWAY USER REVENUE FUND           |                                |  | 59,438                          |                           |
|   | WATER AND WASTEWATER FUND           |                                |  | 64,196                          |                           |
|   | STORMWATER FUND                     |                                |  | 3,127                           |                           |
|   | AIRPORT FUND                        |                                |  | 11,482                          |                           |
|   | ENVIRONMENTAL SERVICES FUND         |                                |  | 45,899                          |                           |
|   |                                     |                                |  | <b>\$ 1,337,574</b>             |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| The City Attorney operating budget has increased 16% and there are no capital expenditures. Personal Services increase is due to a reclass for Assistant City Attorney-Prosecutor to a Prosecutor II. In addition, there is a 9% pay plan adjustment and increases in ASRS, health insurance, and dental insurance. Contractuals increase is due to increased costs for registration and memberships. Commodities decreased due to prior year one-time expenditures. There is no major capital (>\$10,000) for this division. |                                     |                                |  |                                 |                           |

**MISSION**

The mission of the employees of the Flagstaff Municipal Court is to foster a positive and productive environment that promotes the efficient and effective administration of justice.

**PROGRAM DESCRIPTION**

The Municipal Court is responsible for the adjudication and disposition of all local code violations, criminal traffic, civil traffic, and criminal misdemeanor cases that occur within the Flagstaff City limits in a prompt, judicious, and effective manner. The Court is accountable to the Arizona Supreme Court through the Superior Court of Coconino County in judicial and operational matters and reports to the City regarding financial and administrative matters not unique to Court operations.

**FY 06 ACCOMPLISHMENTS**

- ✓ Through active case management adjudicated 90% of all cases within 90 days including warrants (exceeds ABA standard).
- ✓ Complied with all Rules of Court and Statutory case handling requirements.
- ✓ Provided accurate information to the public. Gave information on over 20,000 specific case inquiries and participated in ongoing statistical reporting. All public court case information has been made available through an online data warehouse.
- ✓ All court staff has completed orientation and training requirements of Arizona Judiciary and we have reported timely.
- ✓ All court staff completed customer service training geared toward specific needs for court staff to maintain balance of individual service and upholding court orders and legal requirements.
- ✓ Sent all cases with outstanding court orders for enforcement action (notice, warrant, suspension, registration hold, tax intercept, and FARE collections). Total dollar amount greater than \$10.5M.
- ✓ Processed over \$2M in financial transactions, complied with Minimum Accounting Standards and reported timely.
- ✓ Increased use of FARE program to include all tax intercept cases and automated transfer of these types of cases.
- ✓ Completed and published Self-Evaluation tool in cooperation with the Limited Jurisdiction Court

Administrators Association that includes operational standards for courts of limited jurisdiction.

- ✓ Completed security evaluation of facilities.
- ✓ Renewed the court strategic planning agenda and held stakeholder retreat to develop and publish the Justice 2025 strategic plan.
- ✓ Participated in review groups for the development and implementation of a new statewide case management system (CMS).
- ✓ Expanded electronic transfer process of case information beyond citations to including booking information and long form complaints (court integration program).
- ✓ Participated with Arizona Chief Justices' Committee on Electronic Courts.
- ✓ Participated in the establishment of and curriculum development for the Court Leadership Institute of Arizona (CLIA to be implemented in FY 07).
- ✓ Participated in Arizona Chief Justices' DUI Committee to reduce disposition time of DUI cases.
- ✓ Participated in numerous collaboration efforts including the Limited Jurisdiction Court (LJC) Committee a subcommittee of the Arizona Judicial Council (AJC), the Criminal Justice Coordinating Committee (CJCC – local), the Court Automation Coordinating Committee (CACC), the Commission on Technology (COT), Criminal Justice Integration Committee (CJI), Legislative Update Conference, Limited Jurisdiction Court Administrators Association (LJCAA), Arizona Court Association (ACA), Justice 2025 Strategic Planning Summit, and regular state and local meetings with criminal justice partners.

**FY 07 NEW INITIATIVES**

- Work through the Criminal Justice Coordinating Council to implement a Mental Health Court at the Flagstaff Municipal Court.
- Continue with the development of options for new facilities to improve community access and security at the Municipal Court.
- Implement recommendations of security evaluation.
- Expand collection efforts through FARE and other avenues. See FARE revenues become more stable.
- Publish electronic court filing standards through the Electronic Court Committee. Use standards as basis of local e-court system that would improve access by allowing customers to electronically file and track cases.
- Participate in the evaluation and modifications of a new Case Management System (CMS) for limited jurisdiction courts throughout the state (pilot to be completed in FY 07).

➤ Provide first classes of the Court Leadership Institute of Arizona.

➤ Develop and implement Strategic Plan for FY 07 based on the Justice 2025 Strategic Plan for Coconino County Courts.

**PERFORMANCE MEASURES**

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Timely adjudication of all cases filed before the Court.

**Objective:** Exceed ABA standards and state average for limited jurisdiction courts.

| Measures:   | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|---|--------------|--------------|----------------|----------------|
| Total number of charges filed                         | 21,004       | 21,229       | 21,500         | 21,700         |
| Cases completed in 0 - 30 days (state average = 53%)  | 55%          | 59%          | 57%            | 57%            |
| Cases completed in 31 -60 days (state average = 25%)  | 27%          | 25%          | 26%            | 26%            |
| Cases completed in 61 - 90 days (state average = 9%)  | 8%           | 7%           | 8%             | 8%             |
| Cases completed in 91 - 120 days (state average = 7%) | 4%           | 3%           | 3%             | 3%             |
| Cases completed 121+ days (state average = 6%)        | 6%           | 6%           | 6%             | 6%             |

**Council Priority/Goal: FISCAL RESPONSIBILITY**

**Goal:** Consistent and accurate collection of fines imposed and other funds collected by the Municipal Court.

**Objective:** Accurately account for all funds and increase financial compliance.

| Measures:                                  | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Amount of city general funds collected     | \$1,031,878  | \$1,165,400  | \$1,075,000    | \$1,100,000    |
| Amount of surcharges/state funds collected | \$967,731    | \$1,427,033  | \$950,000      | \$975,000      |
| Amount of other local funds collected      | \$299,585    | \$228,380    | \$240,000      | \$250,000      |
| Total amount of fines/fees collected       | \$2,299,194  | \$2,820,813  | \$2,265,000    | \$2,325,000    |
|  |              |              |                |                |
| Amount of restitution paid                 | \$38,055     | \$43,320     | \$44,000       | \$45,000       |
| Amount of bonds posted                     | \$421,328    | \$483,405    | \$490,000      | \$500,000      |
| Total amount of pass-through funds         | \$459,383    | \$526,725    | \$534,000      | \$545,000      |

| <b>EXPENDITURES BY CATEGORY:</b> |                                     |                                |  |                                 |                           |
|----------------------------------|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|                                  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES                | \$ 1,452,968                        | \$ 1,521,112                   | \$ 1,523,753                           | \$ 1,666,403                    | \$ 145,291                |
| CONTRACTUAL                      | 385,463                             | 639,141                        | 489,744                                | 704,240                         | 65,099                    |
| COMMODITIES                      | 66,348                              | 56,023                         | 53,530                                 | 76,025                          | 20,002                    |
| CAPITAL                          | 7,759                               | 23,500                         | 21,455                                 | 10,000                          | (13,500)                  |
| <b>TOTAL</b>                     | <b>\$ 1,912,538</b>                 | <b>\$ 2,239,776</b>            | <b>\$ 2,088,482</b>                    | <b>\$ 2,456,668</b>             | <b>\$ 216,892</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION           | \$ 783,083                          | \$ 1,030,093                   | \$ 916,902                             | \$ 1,047,003                    | \$ 16,910                 |
| TRIALS & ARRAIGNMENTS            | 426,219                             | 428,420                        | 439,522                                | 555,473                         | 127,053                   |
| RECORDS MANAGEMENT               | 411,492                             | 474,921                        | 454,361                                | 465,845                         | (9,076)                   |
| COURT COLLECTIONS                | 291,744                             | 306,342                        | 277,697                                | 388,347                         | 82,005                    |
| <b>TOTAL</b>                     | <b>\$ 1,912,538</b>                 | <b>\$ 2,239,776</b>            | <b>\$ 2,088,482</b>                    | <b>\$ 2,456,668</b>             | <b>\$ 216,892</b>         |
| <b>SOURCE OF FUNDING:</b>        |                                     |                                |  |                                 |                           |
| GENERAL FUND                     |                                     |                                |  | \$ 2,456,668                    |                           |
|                                  |                                     |                                |  | <b>\$ 2,456,668</b>             |                           |

**COMMENTARY:**

The City Court operating budget has increased 10% and capital expenditures total \$10,000 resulting in an overall net increase of 10%. Personal Services increase is due to a 9% pay plan adjustment and increases in ASRS, health insurance, and dental insurance. One-time Contractual increase includes \$25,000 for Integration Program and \$74,000 for development of Electronic Filing. One-time Commodity increase of \$25,000 is for Security equipment for new Security Personnel position. Major capital (>\$10,000) include \$10,000 to bullet proof Judges benches and clerical area.

**MISSION**

The mission of the Convention and Visitors Bureau is to develop, promote, and maintain Flagstaff as a year-round visitor destination with professional visitor services that will benefit the community economically, environmentally, and socially.

**PROGRAM DESCRIPTION**

The Flagstaff Convention and Visitors Bureau is charged with administering tourism programs for the City of Flagstaff and receives an allocation of 30% of the BBB tax collected. Programs include marketing to tour operators, travel agents, meeting planners, group coordinators and individual leisure travelers; as well as development of public outreach and educational programs, media relations and media coverage. The CVB is also responsible for the creation and maintenance of partnership opportunities locally and regionally.

**FY 06 ACCOMPLISHMENTS**

- ✓ Increased sales leads to stakeholders, specifically midweek and shoulder/off-season
- ✓ Successfully bid and awarded the Governor's Rural Development Conference, August 2006

- ✓ Partnered with Chamber of Commerce and Northern Arizona University in securing the Arizona Cardinals return to Flagstaff for Training Camp, July/August 2006
- ✓ Dramatic increase in fulfillment requests and collateral distribution
- ✓ Created strong in-house marketing campaign with consistent look and message
- ✓ Printed translated brochures (5-day Explorer Guide in French, German and Spanish)
- ✓ Increased media coverage regionally and nationally
- ✓ In coordination with Page/Lake Powell and Williams, hosted 48 freelance writers through SATW (Society of American Travel Writers) May, 2006
- ✓ Developed tracking methods for advertisements, sales and public relations

**FY 07 NEW INITIATIVES**

- Expand reach to promising secondary markets (ie Texas, Chicago)
- Increase feature articles in regional markets on a more consistent basis
- Develop and launch new website
- Enhance existing sales and marketing programs

**PERFORMANCE MEASURES****Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Increase BBB revenues

**Objective:** Maintain existing strong travel patterns on weekends and in high season, and increase occupancy midweek and in shoulder and off-seasons to improve average length of stay.

| Measures:                                  | CY 04<br>Actual    | CY 05<br>Actual    | CY 06<br>Estimate  | CY 07<br>Proposed  |
|--|--------------------|--------------------|--------------------|--------------------|
| Track number of room night leads           | N/A                | 13,628             | 20,500             | 30,000             |
| Hotel occupancy percentage; revpar figures | 64.4% /<br>\$39.30 | 65.0% /<br>\$42.43 | 66.5% /<br>\$45.50 | 68.0% /<br>\$49.00 |
| Survey market segments and visitor origins | N/A                | N/A                | N/A                | N/A                |

**Council Priority/Goal: COLLABORATION AND FISCAL HEALTH**

**Goal:** Facilitate partnerships with state agencies (ie AOT, ATA) and other trade associations (ie NTA, MPI)

**Objective:** Regularly attend meetings to ensure high visibility of the Flagstaff CVB on a statewide level; and pursue all funding opportunities through agency collaboration

| Measures:                                    | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| AOT TEAM grant revenue received (FY actuals) | \$14,000        | \$19,764        | \$30,000          | \$40,000          |

**Council Priority/Goal: QUALITY OF LIFE AND ECONOMIC DEVELOPMENT****Goal:** Increase awareness of Flagstaff by portraying the many artistic, cultural and recreational offerings.**Objective:** Aggressively advertise in key markets and pursue all media opportunities to complement advertising strategies.

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Track fulfillment requests, collateral distribution              | 11,968                  | 22,384                  | 30,000                    | 45,000                    |
| Place AEV (advertising equivalency values) on all media coverage | N/A                     | N/A                     | \$2 million               | \$3 million               |
| Number of website visits (unique visits)                         | 387,989                 | 440,860                 | 500,000                   | 750,000                   |

| <b>EXPENDITURES BY CATEGORY:</b> | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
|----------------------------------|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
| PERSONAL SERVICES                | \$ 408,421                          | \$ 469,928                     | \$ 466,135                             | \$ 552,443                      | \$ 82,515                 |
| CONTRACTUAL                      | 280,813                             | 503,918                        | 503,616                                | 548,572                         | 44,654                    |
| COMMODITIES                      | 143,259                             | 134,415                        | 129,784                                | 136,350                         | 1,935                     |
| CAPITAL                          | -                                   | 30,233                         | 10,958                                 | -                               | (30,233)                  |
| <b>TOTAL</b>                     | <b>\$ 832,493</b>                   | <b>\$ 1,138,494</b>            | <b>\$ 1,110,493</b>                    | <b>\$ 1,237,365</b>             | <b>\$ 98,871</b>          |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION           | \$ 461,560                          | \$ 551,151                     | \$ 527,122                             | \$ 591,068                      | \$ 39,917                 |
| MARKETING AND PROMOTION          | 365,927                             | 581,543                        | 577,321                                | 608,618                         | 27,075                    |
| PUBLIC RELATIONS                 | -                                   | -                              | -                                      | 31,429                          | 31,429                    |
| FILM OFFICE                      | 5,006                               | 5,800                          | 6,050                                  | 6,250                           |                           |
| <b>TOTAL</b>                     | <b>\$ 832,493</b>                   | <b>\$ 1,138,494</b>            | <b>\$ 1,110,493</b>                    | <b>\$ 1,237,365</b>             | <b>\$ 98,871</b>          |
| <b>SOURCE OF FUNDING:</b>        |                                     |                                |  |                                 |                           |
|                                  |                                     |                                |  | \$ 1,237,365                    |                           |
|                                  |                                     |                                |  | <b>\$ 1,237,365</b>             |                           |

**COMMENTARY:**

The Tourism operating budget has increased 12% and there are no capital expenditures resulting in an overall net increase of 9%. Personal Services increases are due to (1) FTE staffing addition that include a Publications Associate. In addition, there is a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractual increases are due to travel, education and training, memberships and trade show registrations. Commodities increases are due to copying, printing, office supplies, computer software and food. One-time expenditures for this division are to recreate a new website (\$30,000), advertising for new positions, computer equipment and software, office equipment and a market survey for NAU.

**MISSION**

The mission of the Visitors Center is to introduce and educate visitors about the vast tourism opportunities within Flagstaff and the surrounding areas, and to increase the frequency of visits to Flagstaff and length of stay.

**PROGRAM DESCRIPTION**

The Flagstaff Visitor Center (VC) opened in the Historic Train Station in 1994. Until March of 2003, the VC was operated by the Flagstaff Chamber of Commerce; funded by the City of Flagstaff. The Flagstaff Tourism Commission sought an expanded mission for the VC and determined the operation would be more cohesive under the direction of the Flagstaff Convention and Visitor Bureau (CVB). The VC was successfully transitioned to the CVB with existing staff becoming city employees.

**FY 06 ACCOMPLISHMENTS**

- ✓ Produced and distributed Flagstaff Discovery Passport brochure featuring seven area attractions
- ✓ Developed new programs and on-site presentations for visitors with National Park Service and Forest Service.
- ✓ Implemented tracking methods for walk-ins and fulfillment requests
- ✓ Distributing multiple new brochures (including Visitor Guide, 5-day Explorer in English, French, German, Spanish) to enhance visitor experience
- ✓ Dramatic increase in walk-ins and fulfillment requests
- ✓ Secured \$50,000 grant from the Arizona Office of Tourism for the platform paver project

**FY 07 NEW INITIATIVES**

- Position Visitor Center as primary resource to local community and stakeholders
- Expand exhibits at Flagstaff and Phoenix airports and area welcome centers
- Develop Visitor Center satellite kiosks

**PERFORMANCE MEASURES**

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Increase the frequency of visitors to Flagstaff and length of stay

**Objective:** Encourage visitation through promotion of area attractions and related services and amenities

| Measures:  | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Distribution/Redemption of fulfillment piece (Discovery Passport brochure) | N/A          | 6,450/94     | 15,000/250     | 18,000/500     |
| Number of walk-ins at Visitor Center                                       | 68,320       | 85,345       | 100,000        | 110,000        |
| Number of fulfillment requests   | 11,968       | 22,384       | 30,000         | 45,000         |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Provide excellent customer service which meets and exceeds the City of Flagstaff's mission

**Objective:** Enhance existing customer service programs to both internal and external customers

| Measures:   | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|---|--------------|--------------|----------------|----------------|
| Survey of visitor experience at Visitor Center in coordination with the Arizona Office of Tourism (based on FY) | N/A          | N/A          | 2,000          | N/A            |

## GENERAL ADMINISTRATION

## DIVISION 85

## VISITOR CENTER

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 238,387                          | \$ 268,304                     | \$ 248,863                             | \$ 303,192                      | \$ 34,888                 |
| CONTRACTUAL   | 60,863                              | 60,252                         | 69,690                                 | 73,563                          | 13,311                    |
| COMMODITIES   | 16,414                              | 14,832                         | 11,230                                 | 14,675                          | (157)                     |
| CAPITAL   | 58,405                              | 205,740                        | 23,211                                 | 194,033                         | (11,707)                  |
| <b>TOTAL</b>  | <b>\$ 374,069</b>                   | <b>\$ 549,128</b>              | <b>\$ 352,994</b>                      | <b>\$ 585,463</b>               | <b>\$ 36,335</b>          |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 267,918                          | \$ 251,979                     | \$ 257,193                             | \$ 306,023                      | \$ 54,044                 |
| TRAIN STATION OPERATIONS  | 67,919                              | 74,401                         | 72,590                                 | 79,903                          | 5,502                     |
| VISITOR CENTER REMODEL  | 38,232                              | 222,748                        | -                                      | -                               | (222,748)                 |
| VSTR CNTR PAVER REPLACEMENT   | -                                   | -                              | 23,211                                 | 199,537                         | 199,537                   |
| <b>TOTAL</b>  | <b>\$ 374,069</b>                   | <b>\$ 549,128</b>              | <b>\$ 352,994</b>                      | <b>\$ 585,463</b>               | <b>\$ 36,335</b>          |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| TOURISM FUND  |                                     |                                |  | \$ 585,463                      |                           |
|   |                                     |                                |  | <b>\$ 585,463</b>               |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| <p>The Visitor Centers operating budget has increased 14% and capital expenditures total \$ 194,033 resulting in an overall net increase of 7%. Personal Services increases are due to two part-time staffing additions that include two half time Administrative Assistants. One of these positions will move from half-time to full-time. In addition there is a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractual increases are due to advertising, credit card bank service fees, Visitor Center maintenance and custodial services. Commodities decreases are due to a reduction of various operating supplies and services. One time expenditures are advertising for position adds. Major capital (&gt;\$ 10,000) is for removal and replacement of paver platforms (\$199,537 including labor) of which \$50,000 is grant funded.</p> |                                     |                                |  |                                 |                           |

# **MANAGEMENT SERVICES MISSION**

The mission of the **Management Services Department** is threefold as a provider of internal service functions, library services, and enforcement of the sales tax code. The mission of the internal service functions are to provide services to all City divisions and employees which will assist the users in making informed decisions and reasonably allocating resources. As an enforcement division, sales tax provides services to citizens and businesses that ensure compliance with all licensing, sales tax, audit, and collection codes.

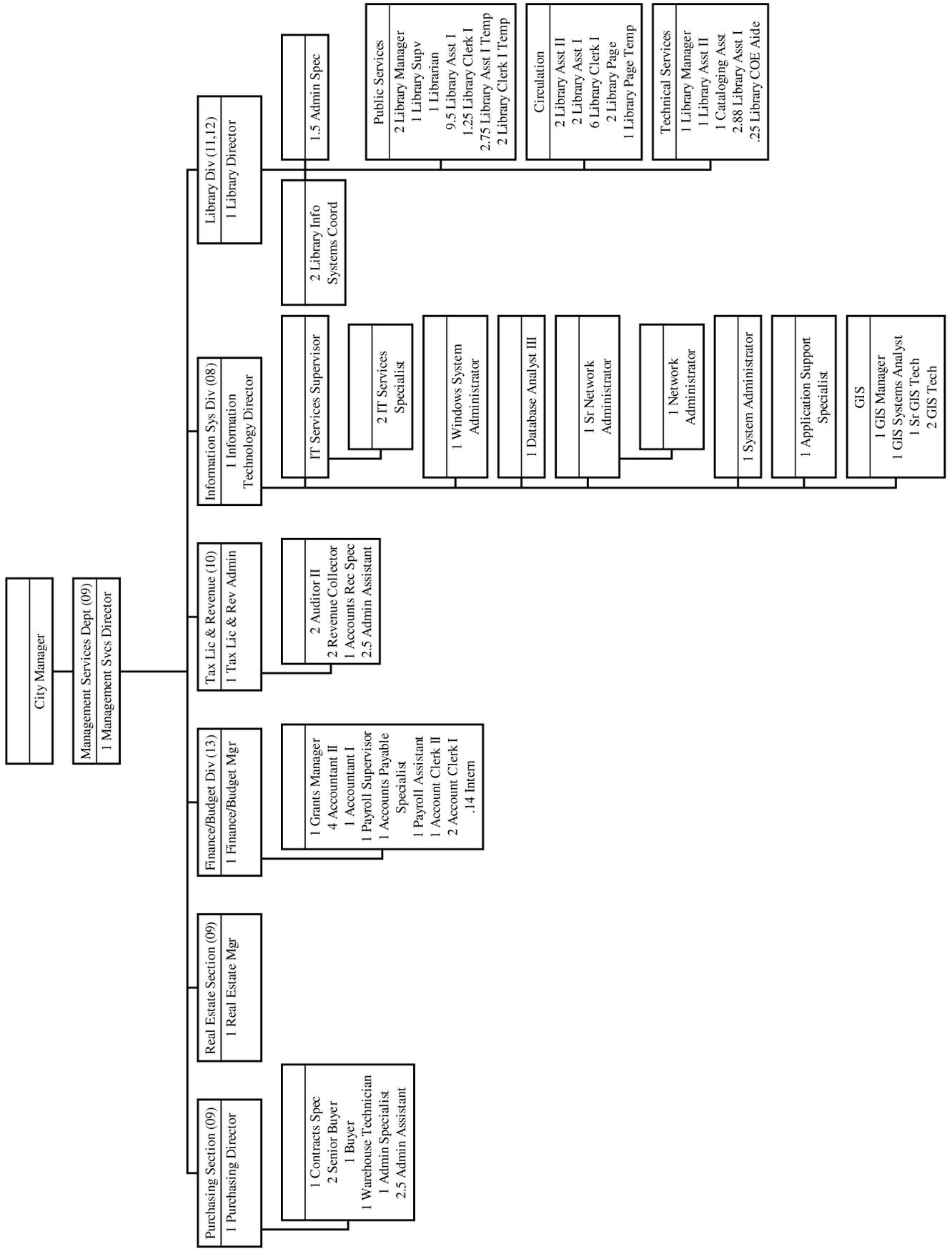
The mission of the **Information Systems Division** is to ensure City staff has the necessary resources (hardware/software) to access available data and geographical information which will assist staff in making informed decisions and to ensure the City's data resources are protected through sound security and disaster recovery management methodologies. Information Systems provides system analysis, software development, and product evaluation.

The mission of the **Tax, Licensing, and Revenue Division** is to ensure compliance with the City's Business License ordinances and assist the public so that tax-reporting problems can be avoided.

The mission of the **Flagstaff City-County Public Library** is to provide residents of the City of Flagstaff and Coconino County with access to available recorded knowledge, which will assist them to meet their informational, recreational, educational, and cultural needs. The Library staff will deliver services to users in a professional, timely, and courteous manner.

The mission of the **Finance and Budget Division** is to ensure that City's financial resources are protected through sound financial management, including allocation of resources consistent with community goals and providing timely, accurate, and reliable information that will assist in making informed decisions.

# Management Services



**MISSION**

The mission of the Information Services Division is to ensure City staff has the necessary resources (hardware/software) to access available data and geographical information which will assist staff in making informed decisions and to ensure the City's data resources are protected through sound security and disaster recovery management methodologies. Information Systems provides system analysis, software development, and product evaluation.

**PROGRAM DESCRIPTION**

This Division provides design, development, and operational assistance in meeting the management information needs of the City Council and staff. These objectives are met through various computer applications, which are modified, maintained, and updated on an ongoing basis to provide accurate information in a timely manner.

**FY 06 ACCOMPLISHMENTS**

- ✓ Reorganized IS to more effectively meet the City's needs
- ✓ Deployed new infrastructure to better serve Internet facing products, saving the City >\$20,000/year
- ✓ Replaced aging email system
- ✓ Improved remote connectivity (still not ideal)
- ✓ Work order management system deployed

**FY 07 NEW INITIATIVES**

- Full documentation of deployed systems.
- Re-examination of all maintenance contracts and deployed software.
- Develop IT SLA

**PERFORMANCE MEASURES**

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Achieve an increasing level of customer satisfaction

**Objective:** Perform baseline performance measurement survey, follow late in year with same

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Percentage of end users receiving satisfactory service from IT | n/a             | n/a             | 60%               | 90%               |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Maintain replacement schedule for computers

**Objective:** Replace minimum of 100 end user machines

| Measures:                            | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--------------------------------------|-----------------|-----------------|-------------------|-------------------|
| Number of end user machines replaced | n/a             | n/a             | 80                | 100               |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Timely response to work order requests

**Objective:** 4 hour response time to all incoming work orders during business hours

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Percentage of work orders responded to within 4 hours via email | n/a             | n/a             | 60%               | 100%              |

| <b>EXPENDITURES BY CATEGORY:</b>   |                                     |                                |  |                                 |                           |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES  | \$ 771,900                          | \$ 886,440                     | \$ 811,357                             | \$ 993,911                      | \$ 107,471                |
| CONTRACTUAL  | 442,331                             | 369,214                        | 383,513                                | 465,633                         | 96,419                    |
| COMMODITIES  | 148,963                             | 52,700                         | 58,040                                 | 69,400                          | 16,700                    |
| CAPITAL  | 10,088                              | -                              | 5,954                                  | -                               | -                         |
| <b>TOTAL</b>   | <b>\$ 1,373,282</b>                 | <b>\$ 1,308,354</b>            | <b>\$ 1,258,864</b>                    | <b>\$ 1,528,944</b>             | <b>\$ 220,590</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION   | \$ 346,665                          | \$ 318,467                     | \$ 520,641                             | \$ 372,589                      | \$ 54,122                 |
| AS 400   | 212,784                             | 149,386                        | 94,914                                 | 93,866                          | (55,520)                  |
| CLIENT SERVICES  | 254,401                             | 304,246                        | 204,563                                | 184,025                         | (120,221)                 |
| LAN/WAN  | 257,992                             | 176,942                        | 164,435                                | 527,537                         | 350,595                   |
| GIS  | 301,440                             | 359,313                        | 274,311                                | 350,927                         | (8,386)                   |
| <b>TOTAL</b>   | <b>\$ 1,373,282</b>                 | <b>\$ 1,308,354</b>            | <b>\$ 1,258,864</b>                    | <b>\$ 1,528,944</b>             | <b>\$ 220,590</b>         |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
|  | GENERAL FUND                        |                                |  | \$ 1,096,062                    |                           |
|  | HIGHWAY USER REVENUE FUND           |                                |  | 33,729                          |                           |
|  | WATER AND WASTEWATER FUND           |                                |  | 293,752                         |                           |
|  | STORMWATER FUND                     |                                |  | 25,297                          |                           |
|  | ENVIRONMENTAL SERVICES FUND         |                                |  | 80,104                          |                           |
|  |                                     |                                |  | <b>\$ 1,528,944</b>             |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| <p>The Information Technology operating budget has increased 17% and there are no capital expenditures. Personal Services increases are due to 2 FTE staffing additions that include a GIS Technician and a Software Specialist. In addition there is a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractuals increase are due to travel &amp; training, consulting fees, computer maintenance, programming, data lines and GIS building expenses. Commodities increases are Computer Equipment &amp; Software and Office Supplies. One-time expenditures include advertising, office and computer equipment.</p> |                                     |                                |  |                                 |                           |

**MISSION**

The mission of the Management Services Department is threefold as a provider of internal service functions, library services, and enforcement of the sales tax code. The mission of the internal service functions are to provide services to all City divisions and employees which will assist the users in making informed decisions and reasonably allocating resources. As an enforcement division, sales tax provides services to citizens and businesses that ensure compliance with all licensing, sales tax, audit, and collection codes.

**PROGRAM DESCRIPTION**

The Management Services Division is responsible for the general administration of Finance/Budget, Sales Tax, Information Systems, and Library Divisions. The Purchasing function and Real Estate Management function are also within this division.

**FY 06 ACCOMPLISHMENTS**

- Implemented an electronic interface between the bank and our accounting system to streamline the processing of our procurement card transactions
- Set up an Internet Site with Bank of America, which allows us to manage, view, and download our procurement card transactions.
- Set up email notification within the Purchasing application, through the use of email we are now able to notify internal customers of requisitions that need their review and approval.

- Prepared the Sales and transit tax initiatives for voter approval in May 2006.
- Sold \$31.5 million in General obligation bonds to carryout the 2004 bond projects.
- Maintained the city's bond rating at A+ by S & P and A-1 by Moody's
- Continued work with the CID on project reporting and budgeting.

**FY 07 NEW INITIATIVES**

- Implement On Line vendor registration
- Develop and adopt a City Procurement Code
- Provide training programs for users of the financial applications.
- Work with Accounts Payable in performing an account payable review look to streamline the application.
- Electronically transmit purchase orders.
- Work with the CID to identify maintenance impact of capital projects.
- Implement the recommendations of our software vendor to improve the efficiency of the systems.
- Continue to work leadership talent development program to enhance staff's ability to move up in the City.
- Improve communications among staff on status of property acquisitions
- Maintain fiscal health by analyzing financial capacity of all funds and rate adjustments when necessary.

**PERFORMANCE MEASURES**

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** Work Smarter

**Objective:** Through use of the City's Procurement card application promote cost effective method to make and administer small dollar purchases.

**Measures:**

|  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Percentage of total purchases made by Procurement Card | 2%                      | 3%                      | 4%                        | 5%                        |

**MANAGEMENT SERVICES**

**DIVISION 09**

**MANAGEMENT SERVICES**

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 687,943                          | \$ 736,731                     | \$ 699,005                             | \$ 893,318                      | \$ 156,587                |
| CONTRACTUAL   | 46,699                              | 46,088                         | 46,056                                 | 58,445                          | 12,357                    |
| COMMODITIES   | 7,883                               | 9,000                          | 9,649                                  | 9,550                           | 550                       |
| CAPITAL   | 7,922                               | -                              | -                                      | 70,000                          | 70,000                    |
| <b>TOTAL</b>  | <b>\$ 750,447</b>                   | <b>\$ 791,819</b>              | <b>\$ 754,710</b>                      | <b>\$ 1,031,313</b>             | <b>\$ 239,494</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 168,801                          | \$ 184,833                     | \$ 183,747                             | \$ 258,945                      | \$ 74,112                 |
| PURCHASING  | 374,323                             | 408,181                        | 385,527                                | 448,329                         | 40,148                    |
| MAIL SERVICES   | 35,594                              | 28,524                         | 29,755                                 | 108,488                         | 79,964                    |
| BOND & SURETY ADMIN   | 5,687                               | -                              | -                                      | -                               | -                         |
| WAREHOUSE   | 83,383                              | 83,743                         | 65,067                                 | 122,663                         | 38,920                    |
| PROPERTY MANAGEMENT   | 82,659                              | 86,538                         | 90,614                                 | 92,888                          | 6,350                     |
| <b>TOTAL</b>  | <b>\$ 750,447</b>                   | <b>\$ 791,819</b>              | <b>\$ 754,710</b>                      | <b>\$ 1,031,313</b>             | <b>\$ 239,494</b>         |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
|   | GENERAL FUND                        |                                |  | \$ 628,096                      |                           |
|   | LIBRARY FUND                        |                                |  | 33,338                          |                           |
|   | HIGHWAY USER REVENUE FUND           |                                |  | 114,374                         |                           |
|   | WATER AND WASTEWATER FUND           |                                |  | 170,746                         |                           |
|   | STORMWATER FUND                     |                                |  | 11,873                          |                           |
|   | AIRPORT FUND                        |                                |  | 24,149                          |                           |
|   | ENVIRONMENTAL SERVICES FUND         |                                |  | 48,737                          |                           |
|   |                                     |                                |  | <b>\$ 1,031,313</b>             |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| <p>The Management Services operating budget has increased 21% and capital expenditures total \$70,000 resulting in an overall net increase of 24%. Personal Services increases are due to a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractual increases are due to travel &amp; training, general office expenses and contract database. Commodities expenses are for gas and food, office supplies, various operating supplies. One time expenditure is for a laptop \$2,000. Major capital includes one replacement folder/insertor (\$20,000) and replacement of skylights (\$50,000).</p> |                                     |                                |  |                                 |                           |

**MISSION**

The mission of the Tax, Licensing and Revenue division is to ensure compliance with the City’s Business License ordinances and assist the public so that tax-reporting problems can be avoided.

**PROGRAM DESCRIPTION**

The Tax, Licensing, and Revenue division is responsible for the licensing of new businesses and the collection of delinquent sales tax and business license accounts. Division staff disseminates City and State sales tax information to the taxpayers. This division is responsible for the collection of delinquent utility billings, delinquent library accounts, City Court fines, parking tickets, miscellaneous city billings and NSF checks. Staff has the responsibility to bill for the miscellaneous receivable accounts. This division also invests excess funds as allowed by the City Investment Policy.

**FY 06 ACCOMPLISHMENTS**

- ✓ Processed 34,171 city sales tax returns. A 4% increase over FY 04
- ✓ Performed 68 sales tax audits and reviews
- ✓ Issued 1,129 Sales Tax licenses and 455 Occupational Business licenses

**FY 07 NEW INITIATIVES**

- Conduct at least 5 seminars for new taxpayers. Invite the Arizona Department of Revenue to also participate.
- Perform at least 60 sales tax audits and reviews.
- Maintain write-off percentages below 0.5% of sales tax revenues and 0.5% of miscellaneous billings for various city services.
- Begin conversion to a new sales tax software program that will allow taxpayers to do business with the city on-line. This includes applying for licenses and reporting and paying city sales tax.
- Maintain a rate of return on investments that exceeds the rate of return from the State Treasurer’s LGIP fund.

**PERFORMANCE MEASURES**

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Provide taxpayer education seminars

**Objective:** Conduct at least 5 seminars during the year

**Measures:**

|                         | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|-------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Number of seminars held | 5                       | 5                       | 5                         | 5                         |
| Number of attendees     | 122                     | 66                      | 120                       | 120                       |

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** Maintain a high collection rate of sales tax and miscellaneous billing accounts

**Objective:** Keep write-offs below 1.0% of annual billings

**Measures:**

|  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Sales tax write-offs as a percentage of sales tax revenue        | 0.5%                    | 0.1%                    | 0.4%                      | 0.4%                      |
| Miscellaneous receivables write-offs as a percentage of billings | 0.4%                    | 0.3%                    | 0.4%                      | 0.4%                      |

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** Invest city funds

**Objective:** Maintain a rate of return that exceeds the state Local Government Investment Pool (LGIP)

| <b>Measures:</b>  | <b>CY 04 Actual</b> | <b>CY 05 Actual</b> | <b>CY 06 Estimate</b> | <b>CY 07 Proposed</b> |
|---|---------------------|---------------------|-----------------------|-----------------------|
| Return on investments compared to return on same amount with LGIP | 111.1%              | 23.3%               | -16.0%                | 10.0%                 |

| <b>EXPENDITURES BY CATEGORY:</b>   |                               |                          |                                  |                           |                        |
|--|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
|  | Actual Expenditures 2004-2005 | Adopted Budget 2005-2006 | Estimated Expenditures 2005-2006 | Proposed Budget 2006-2007 | Budget-Budget Variance |
| PERSONAL SERVICES  | \$ 473,130                    | \$ 495,294               | \$ 474,611                       | \$ 534,434                | \$ 39,140              |
| CONTRACTUAL  | 30,175                        | 40,336                   | 28,470                           | 40,800                    | 464                    |
| COMMODITIES  | 13,884                        | 14,680                   | 11,105                           | 15,448                    | 768                    |
| CAPITAL  | -                             | -                        | -                                | -                         | -                      |
| <b>TOTAL</b>   | <b>\$ 517,189</b>             | <b>\$ 550,310</b>        | <b>\$ 514,186</b>                | <b>\$ 590,682</b>         | <b>\$ 40,372</b>       |
| <b>EXPENDITURES BY PROGRAM:</b>  |                               |                          |                                  |                           |                        |
| GENERAL ADMINISTRATION   | \$ 150,232                    | \$ 158,522               | \$ 117,642                       | \$ 180,875                | \$ 22,353              |
| AUDIT  | 152,130                       | 155,147                  | 155,147                          | 165,402                   | 10,255                 |
| COLLECTIONS  | 98,983                        | 106,205                  | 106,205                          | 111,758                   | 5,553                  |
| LICENSING AND CLERICAL   | 68,465                        | 74,144                   | 74,144                           | 83,034                    | 8,890                  |
| ACCOUNTS RECEIVABLE  | 47,379                        | 56,292                   | 61,048                           | 49,613                    | (6,679)                |
| <b>TOTAL</b>   | <b>\$ 517,189</b>             | <b>\$ 550,310</b>        | <b>\$ 514,186</b>                | <b>\$ 590,682</b>         | <b>\$ 40,372</b>       |
| <b>SOURCE OF FUNDING:</b>  |                               |                          |                                  |                           |                        |
| GENERAL FUND   |                               |                          |                                  | \$ 483,563                |                        |
| LIBRARY FUND   |                               |                          |                                  | 16,700                    |                        |
| HIGHWAY USER REVENUE FUND  |                               |                          |                                  | 1,029                     |                        |
| WATER AND WASTEWATER FUND  |                               |                          |                                  | 23,202                    |                        |
| AIRPORT FUND   |                               |                          |                                  | 26,662                    |                        |
| ENVIRONMENTAL SERVICES FUND  |                               |                          |                                  | 39,526                    |                        |
|  |                               |                          |                                  | <b>\$ 590,682</b>         |                        |
| <b>COMMENTARY:</b>   |                               |                          |                                  |                           |                        |
| The Sales Tax operating budget has increased 7% and there are no capital expenditures. Personal Services increases are due to a 9 % pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractual increases are for office equipment maintenance, postage & freight and training. Commodities increases are for office furniture. |                               |                          |                                  |                           |                        |

**MISSION**

The mission of the Flagstaff City-County Public Library is to provide residents of the City of Flagstaff and Coconino County with access to available recorded knowledge, which will assist them to meet their informational, recreational, educational, and cultural needs. The Library staff will deliver services to users in a professional, timely, and courteous manner.

**PROGRAM DESCRIPTION**

The City-County Library is a jointly funded public library administered by the City of Flagstaff and financed by both the City of Flagstaff and Coconino County. The Library provides residents of the City and County with access to available recorded knowledge that will assist them in meeting their informational, recreational, educational, and cultural needs. The Library staff is committed to delivering services to users in a professional, timely and courteous manner.

**FY 06 ACCOMPLISHMENTS**

- The Library continues to nurture our partnership with Coconino Community College. We have assisted their staff in installing and configuring equipment so that they can begin circulating materials on our SIRSI automation system, and we have started working on a planning document together.
- Our IT staff has inventoried public computing equipment and attended a workshop to qualify for new for replacement equipment throughout the County from the Bill and Melinda Gates Foundation. They also installed 3M Security Gates to prevent theft of the collection at East Flagstaff Community Library

- Bill Landau sought out funding in order to purchase hundreds of books for the increasingly busy East Flagstaff Community Library. This library also has an active and energetic Teen Council.
- We have increased the number and variety of programs and workshops for the public at our libraries in Flagstaff and in Tuba City: these include book discussion groups and programs such as Geographic Information Systems, Youth Access, Tuba City Family Literacy, Get Real, Get Fit, Early Literacy, Family Wellness, and Parent/Child Play and Learn @ the Library.
- We had 1536 young people register for the Summer Reading program, which is the highest number to date. In addition, 3215 young people participated in 152 group visits to the Library.
- Staff successfully worked to raise funding to help replace our ancient and decrepit bookmobiles.

**FY 07 NEW INITIATIVES**

- Our updated and redesigned Web site will be up in a few months.
- As there are many retirements coming up, we would like to work on staff development and training this year.
- We will continue to create programming for seniors and expand our early literacy programming.
- IT staff will continue to seek E-Rate funding to offset the cost of telecommunications in the libraries.
- We are hoping to add new formats of materials, specifically ebooks and downloadable audiobooks. Maricopa County Library District and the Arizona State Library will assist us with a pilot program this year.
- The library staff will continue to seek out funding opportunities made by grant making organizations to enhance collections and improve services.

**PERFORMANCE MEASURES**

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** Have a wide variety of materials available for the public to use.

**Objective:** Select materials for purchase on a monthly basis.

**Measures:**

|   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Materials circulated to the public at Main Library and its branches | 420,430                 | 404,804                 | 412,900                   | 421,158                   |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** To continue to have a large number of people use and enjoy the library system.**Objective:** Increase the number of people using the libraries on a yearly basis.

| Measures:                           | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|-------------------------------------|-----------------|-----------------|-------------------|-------------------|
| Number of people entering libraries | 308,288         | 362,849         | 370,105           | 374,807           |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** Provide quality informational services to people of all ages.**Objective:** Provide successful responses to reference questions on a daily basis.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Number of reference questions successfully answered | 74,377          | 59,907          | 61,105            | 62,327            |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** Provide computers for the use of the public.**Objective:** Keep computers and software updated and in good working order.

| Measures:                   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|-----------------------------|-----------------|-----------------|-------------------|-------------------|
| Number of computer sessions | 60,715          | 80,657          | 83,076            | 85,568            |

**Council Priority/Goal: FISCAL HEALTH****Goal:** Ensure that materials are available for the public.**Objective:** Notices concerning overdue materials are sent out on a weekly basis.

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Notices sent requesting that material be returned promptly | 16,338          | 17,518          | 17,256            | 16,998            |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** Provide simple, logical access to library materials.**Objective:** Catalog all new materials as they are received.

| Measures:           | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---------------------|-----------------|-----------------|-------------------|-------------------|
| Materials cataloged | 8,529           | 9,705           | 9,947             | 10,195            |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** Provide adequate number of materials for users (per capita).**Objective:** Select new materials for purchase on a monthly basis.

| Measures:                      | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--------------------------------|-----------------|-----------------|-------------------|-------------------|
| Per capita number of materials | 3.6             | 3.72            | 3.76              | 3.8               |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** Ensure that young people are using and enjoying the libraries.**Objective:** Provide special programming for young people.

| Measures:                  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|----------------------------|-----------------|-----------------|-------------------|-------------------|
| Number of special programs | 410             | 414             | 434               | 455               |

**MANAGEMENT SERVICES**

**DIVISION 11/12**

**LIBRARY**

Division 11-Library Operating

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 1,762,564                        | \$ 1,861,158                   | \$ 1,865,204                           | \$ 2,102,133                    | \$ 240,975                |
| CONTRACTUAL   | 356,446                             | 372,360                        | 393,475                                | 430,767                         | 58,407                    |
| COMMODITIES   | 308,027                             | 428,341                        | 350,602                                | 481,122                         | 52,781                    |
| CAPITAL   | 261,673                             | 325,000                        | 1,108                                  | 345,500                         | 20,500                    |
| <b>TOTAL</b>  | <b>\$ 2,688,710</b>                 | <b>\$ 2,986,859</b>            | <b>\$ 2,610,389</b>                    | <b>\$ 3,359,522</b>             | <b>\$ 372,663</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 628,650                          | \$ 386,445                     | \$ 457,879                             | \$ 453,631                      | \$ 67,186                 |
| TECHNICAL SERVICES  | 577,207                             | 651,694                        | 642,142                                | 682,787                         | 31,093                    |
| PUBLIC SERVICES   | 991,596                             | 1,413,212                      | 1,014,084                              | 1,563,830                       | 150,618                   |
| COUNTY JAIL   | 48,536                              | 48,000                         | 47,664                                 | 54,174                          | 6,174                     |
| COUNTY BOOKMOBILE   | 27,640                              | 42,050                         | 31,636                                 | 44,386                          | 2,336                     |
| FOREST LAKES LIBRARY  | 33,018                              | 67,985                         | 37,577                                 | 71,819                          | 3,834                     |
| TUBA CITY LIBRARY   | 109,257                             | 150,074                        | 117,808                                | 153,005                         | 2,931                     |
| SUPAI LIBRARY   | 2,132                               | 5,500                          | 5,500                                  | 5,500                           | -                         |
| EAST FLAGSTAFF LIBRARY  | 260,138                             | 211,024                        | 246,097                                | 256,371                         | 45,347                    |
| OUTREACH  | -                                   | -                              | -                                      | 1,550                           | 1,550                     |
| GRAND CANYON  | -                                   | -                              | -                                      | 61,394                          | 61,394                    |
| MAIN LIBRARY AUTOMATION   | 9,830                               | 10,875                         | 9,350                                  | 11,075                          | 200                       |
| E. FLAG COMMUNITY   | 706                                 | -                              | 652                                    | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 2,688,710</b>                 | <b>\$ 2,986,859</b>            | <b>\$ 2,610,389</b>                    | <b>\$ 3,359,522</b>             | <b>\$ 372,663</b>         |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| LIBRARY FUND  |                                     |                                |  | \$ 3,359,522                    |                           |
|   |                                     |                                |  | <b>\$ 3,359,522</b>             |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| <p>The Library operating budget has increased 13% and capital expenditures total \$345,500 resulting in an overall net increase of 12%. Personal Services increases are due to 3.25 FTE staffing additions that include 1.5 FTE's for Flagstaff, and 1.75 FTE's to staff the Grand Canyon Library. In addition there is a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance and dental insurance. Contractual increases are due to utility increases and equipment maintenance costs. Commodities increases are primarily due to increases in the East Flagstaff branch to establish an appropriate circulation and subscription budget. Major capital (&gt;\$10,000) includes a replacement Library van (\$20,500) and two bookmobiles (\$325,000) carried forward from FY2006.</p> |                                     |                                |  |                                 |                           |

**MANAGEMENT SERVICES**

**DIVISION 11/12**

**LIBRARY**

Division 12-Library Grants

| <b>EXPENDITURES BY CATEGORY:</b> |                                     |                                |  |                                 |                           |
|----------------------------------|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|                                  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES                | \$ 81,355                           | \$ 75,941                      | \$ 77,348                              | \$ 87,485                       | \$ 11,544                 |
| CONTRACTUAL                      | 244,762                             | 1,085,791                      | 273,157                                | 813,734                         | (272,057)                 |
| COMMODITIES                      | 150,274                             | 25,000                         | 54,887                                 | 200,000                         | 175,000                   |
| CAPITAL                          | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>                     | <b>\$ 476,391</b>                   | <b>\$ 1,186,732</b>            | <b>\$ 405,392</b>                      | <b>\$ 1,101,219</b>             | <b>\$ (85,513)</b>        |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| COUNTY WIDE PROJECTS             | \$ 431,601                          | \$ 1,161,732                   | \$ 369,320                             | \$ 1,101,219                    | \$ (60,513)               |
| STATE GRANT-IN-AID               | 1,983                               | -                              | -                                      | -                               | -                         |
| YOUTH ACCESS-TUBA                | 6,119                               | -                              | -                                      | -                               | -                         |
| FAMILY PLACE GRANT               | 4,852                               | -                              | -                                      | -                               | -                         |
| STATE GRANT-IN-AID               | 24,354                              | -                              | 160                                    | -                               | -                         |
| LITERACY BEGINS @ HOME           | 7,482                               | -                              | -                                      | -                               | -                         |
| STATE GRANT IN AID 2006          | -                                   | 25,000                         | 25,000                                 | -                               | (25,000)                  |
| GET FIT GRANT                    | -                                   | -                              | 1,700                                  | -                               | -                         |
| BLDG A NEW GEN OF READERS        | -                                   | -                              | 2,000                                  | -                               | -                         |
| GATES STAY CONNECTED             | -                                   | -                              | 7,212                                  | -                               | -                         |
| <b>TOTAL</b>                     | <b>\$ 476,391</b>                   | <b>\$ 1,186,732</b>            | <b>\$ 405,392</b>                      | <b>\$ 1,101,219</b>             | <b>\$ (85,513)</b>        |
| <b>SOURCE OF FUNDING:</b>        |                                     |                                |  |                                 |                           |
|                                  | LIBRARY FUND                        |                                |  | \$ 1,101,219                    |                           |
|                                  |                                     |                                |  | <b>\$ 1,101,219</b>             |                           |

**MISSION**

The mission of the Finance/Budget division is to ensure that City's financial resources are protected through sound financial management, including allocation of resources consistent with community goals and providing timely, accurate, and reliable information that will assist in making informed decisions.

**PROGRAM DESCRIPTION**

The Finance Division provides a variety of financial services to the Council and City staff. Services include accounting and financial reporting, budgeting, payroll, accounts payable, special financial analysis, grant management, citywide switchboard operations, and performance reporting.

**FY 06 ACCOMPLISHMENTS**

- ✓ Received the GFOA distinguished Budget presentation award for the twelfth year in a row.
- ✓ Received GFOA Certificate of Achievement for Excellence in Financial Reporting for the tenth year in a row.
- ✓ Converted to a New Budget System.
- ✓ Implemented Laser Printers for Accounts/Payable and Payroll Checks.

**FY 07 NEW INITIATIVES**

- Develop a new Performance Measurement System reporting process for FY 06-07.
- To Implement a Work Order System

**PERFORMANCE MEASURES**

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** To maintain external validation of appropriate budget and year end financial reporting.

**Objective:** Maintain the Government Finance Officer's Association (GFOA) Certificate of Achievement of Excellence in Financial Reporting and the GFOA Distinguished Budget Presentation Award.

| <b>Measures:</b>                             | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| GFOA Certificate of Achievement              | Yes                     | Yes                     | Yes                       | Yes                       |
| GFOA Distinguished Budget Presentation Award | Yes                     | Yes                     | Yes                       | Yes                       |

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** Continue to maintain budgeted grant revenue levels.

**Objective:** To apply and receive grant revenue in the amount of approximately \$10 million per Fiscal Year.

| <b>Measures:</b>       | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Grant Revenue Received | \$3,218,639             | \$8,368,413             | \$17,385,413              | \$10,000,000              |

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 748,177                          | \$ 777,452                     | \$ 777,112                             | \$ 860,555                      | \$ 83,103                 |
| CONTRACTUAL   | 30,334                              | 56,735                         | 34,335                                 | 68,205                          | 11,470                    |
| COMMODITIES   | 21,516                              | 18,800                         | 20,454                                 | 18,705                          | (95)                      |
| CAPITAL   | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 800,027</b>                   | <b>\$ 852,987</b>              | <b>\$ 831,901</b>                      | <b>\$ 947,465</b>               | <b>\$ 94,478</b>          |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 117,358                          | \$ 157,040                     | \$ 160,572                             | \$ 192,150                      | \$ 35,110                 |
| ACCOUNTING  | 314,424                             | 327,042                        | 318,713                                | 361,545                         | 34,503                    |
| PAYROLL   | 142,953                             | 128,170                        | 117,522                                | 134,105                         | 5,935                     |
| ACCTS PAYABLE/ RECEIVABLE   | 133,693                             | 148,039                        | 141,926                                | 158,000                         | 9,961                     |
| BUDGET  | 4,552                               | 5,025                          | 5,024                                  | 4,000                           | (1,025)                   |
| GRANTS ADMINISTRATION   | 87,047                              | 87,671                         | 88,144                                 | 97,665                          | 9,994                     |
| <b>TOTAL</b>  | <b>\$ 800,027</b>                   | <b>\$ 852,987</b>              | <b>\$ 831,901</b>                      | <b>\$ 947,465</b>               | <b>\$ 94,478</b>          |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| GENERAL FUND  |                                     |                                |  | \$ 590,647                      |                           |
| LIBRARY FUND  |                                     |                                |  | 54,822                          |                           |
| HIGHWAY USER REVENUE FUND   |                                     |                                |  | 56,766                          |                           |
| WATER AND WASTEWATER FUND   |                                     |                                |  | 143,766                         |                           |
| STORMWATER FUND   |                                     |                                |  | 12,203                          |                           |
| AIRPORT FUND  |                                     |                                |  | 40,370                          |                           |
| ENVIRONMENTAL SERVICES FUND   |                                     |                                |  | 48,891                          |                           |
|   |                                     |                                |  | <b>\$ 947,465</b>               |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| <p>The Finance operating budget has increased 11% and there are no capital expenditures. Personal services increases are due to 1.13 FTE staffing additions that include (1) Account Clerk II and a part-time intern. In addition there is a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractuals increases are due to Performance measure development, travel and training, computer equipment and software, memberships and subscriptions and postage. Commodities decreases are due to reduction in office supplies, office equipment and copy/printing expenses. One-time expenditures for this division are consultant for infrastructure valuation (\$25,000), Personal Data Assistants for the Finance Manager and the CIP accountant, payroll assistance training, books and subscriptions.</p> |                                     |                                |  |                                 |                           |

# **COMMUNITY DEVELOPMENT DEPARTMENT MISSION**

The missions of the **Community Development Administration, Development Services, Community Investment, and Community Improvements Divisions** are to be client focused teams that enable quality development, reinvestment, and conservation of the natural and built environment through publicly adopted policies.

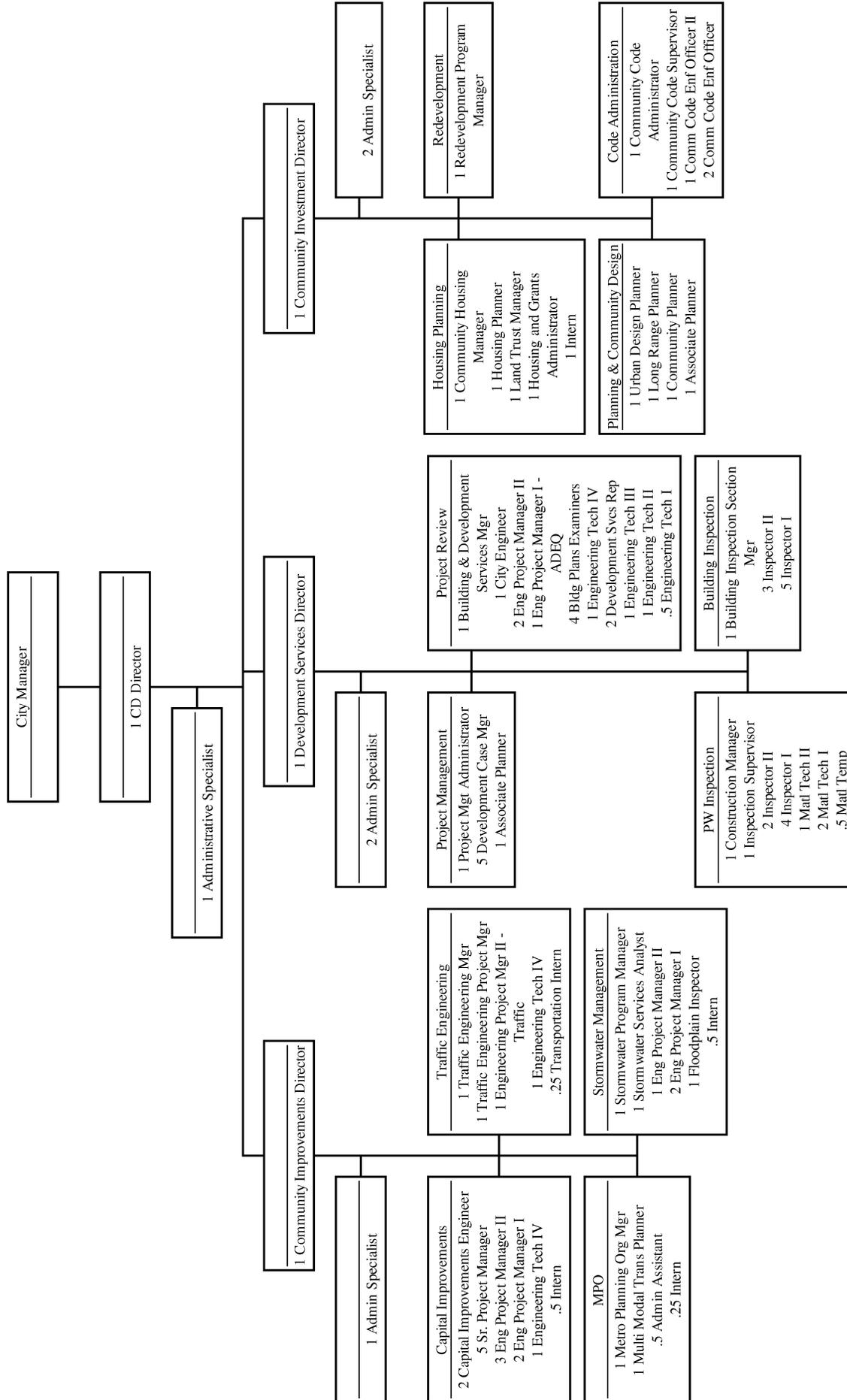
The mission of the **Capital Improvements Division** is to provide efficient and responsible management of resources in order to deliver a quality program and projects that improve the community of Flagstaff.

The mission of the **Metropolitan Planning Organization** is to work with regional partners to produce a transportation system that positively influences community character, enhances the way we experience our environment, and improves our ability to interact with the people and places necessary to our lives.

The mission of the **Housing and Community Services Division** is to provide community/neighborhood based planning and affordable housing opportunities for residents of Flagstaff, in particular elements of Flagstaff's workforce and low to moderate income families so they can continue to thrive in decent housing, a suitable living environment, and enjoy economic opportunity.

The mission of the **Stormwater Division** is to promote the public health, safety, and general welfare to minimize public and private losses due to flood conditions within the City of Flagstaff and to comply with the applicable stormwater regulations.

# Community Development



**MISSION**

The Capital Improvements Section provides efficient and responsible management of resources in order to deliver a quality program and projects to improve the community of Flagstaff.

**PROGRAM DESCRIPTION**

The Capital Improvement Section of the Community Improvements Division produces the City's 5-year Capital Program, provides project planning and program delivery for Capital Improvement Projects. The Division is responsible for the project planning, programming, design, and construction of the City facilities and infrastructure in a comprehensive fashion while ensuring an appropriate level of public involvement.

**FY 06 ACCOMPLISHMENTS**

- ✓ Coordination of property acquisition with ADOT for the FUTS 180/Ft. Valley Trail project.
- ✓ Fourth Street rail crossing project scheduled for completion by August 2006.
- ✓ Empire Ave. extension construction and right of way acquisition completed.
- ✓ Sunnyside neighborhood improvements PHIII-B completed.
- ✓ West/Arrowhead corridor study completed.
- ✓ Lone Tree Rd. corridor study substantially completed.
- ✓ Fire station relocation design/build contracts awarded.
- ✓ Aquatic/Multigenerational Center preliminary programming study completed. Design and CM at-risk contracts awarded.
- ✓ Continued Rio de Flag project management services and coordinated public process to determine open or closed channel improvements, utility relocations, and property acquisition.
- ✓ Sixth Ave. detention/BMX Park project completed.
- ✓ Talkington water main and Huntington Drive improvements contracted for design completion.
- ✓ Cedar Ave. urban trail bridge contracted for completion by August 2006.

- ✓ Continued development and design services administration for the West Route 66 urban trail project from west village easterly to central downtown area including railroad under crossing and ped/bicycle bridge over Milton Ave.
- ✓ Provided project coordination with ADOT for the east Flagstaff traffic interchange and project enhancements.
- ✓ Continued project management for Thorpe Park improvements scheduled for construction in 2006.
- ✓ Completed design of Fanning Wash improvements.
- ✓ Completed rail crossing quiet zones study and contracted design services.
- ✓ Initiated preliminary design and feasibility study for potential roadway improvement district at East Flagstaff Industrial Park.
- ✓ Participated in project definition for first phase of bond-funded USGS facility replacements.
- ✓ Completed Arrowhead bus stop improvements.
- ✓ Coordinated citywide up-dates to the capital program data base and review by budget committee.
- ✓ Started construction of the paver replacement at the Visitors Center/BNSF Railroad.
- ✓ Participation of engineering standards committee.
- ✓ Continued development and clarification of project management manual procedures.
- ✓ Completed contract template for consultant services required for CM at-risk project delivery.
- ✓ Continued regular communication of project status through city manager's weekly reports.
- ✓ Conducted public meetings to ensure opportunities for public participation and input.
- ✓ 95% of staff participation at departmental and divisional team-building opportunities.
- ✓ Continued project management for the Lake Mary Road improvements.
- ✓ Contracted design services for the FUTS Crescent to Observatory Mesa and Blue Willow to Hwy 180 projects.

**FY 07 NEW INITIATIVES**

- Well-trained and equipped team-centered staff.
- Continued improvement of capital project and capital work program delivery.
- Continued facilitation of the capital planning process and 5-year capital improvements program.

## PERFORMANCE MEASURES

**Council Priority/Goal: CAPITAL IMPROVEMENT****Goal:** Be fiscally responsible.**Objective:** Deliver Capital Improvements Projects within approved budgets.

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Percentage of projects completed within 5% of the approved budget. | 69%                     | 70%                     | 40%                       | 75%                       |

**Council Priority/Goal: CAPITAL IMPROVEMENT****Goal:** Be timely/responsive.**Objective:** Deliver Capital Improvements projects in a timely manner.

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Percentage of projects completed within accepted schedule. | 84%                     | 80%                     | 55%                       | 80%                       |

**Council Priority/Goal: CAPITAL IMPROVEMENT****Goal:** Be well-planned/coordinated.**Objective:** Facilitation of Capital Improvements five year plan.

| <b>Measures:</b>              | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|-------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Adoption of a five year plan. | yes                     | no                      | yes                       | yes                       |

**Council Priority/Goal: CAPITAL IMPROVEMENT****Goal:** Improve strategic initiatives.**Objective:** Working smarter.

| <b>Measures:</b>  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Percentage of completed identified strategic initiatives. | 75%                     | 75%                     | 70%                       | 80%                       |

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ (293,974)                        | \$ (338,632)                   | \$ (430,772)                           | \$ (405,195)                    | \$ (66,563)               |
| CONTRACTUAL   | 89,217                              | 96,330                         | 93,683                                 | 97,813                          | 1,483                     |
| COMMODITIES   | 14,709                              | 27,200                         | 25,712                                 | 25,400                          | (1,800)                   |
| CAPITAL   | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ (190,048)</b>                 | <b>\$ (215,102)</b>            | <b>\$ (311,377)</b>                    | <b>\$ (281,982)</b>             | <b>\$ (66,880)</b>        |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ (593,579)                        | \$ (729,302)                   | \$ (687,305)                           | \$ (1,190,304)                  | \$ (461,002)              |
| PROJECT MANAGEMENT  | 326,938                             | 454,452                        | 313,228                                | 808,890                         | 354,438                   |
| ADOT PROJECT COORDINATION   | 12,559                              | 6,706                          | 10,000                                 | 7,917                           | 1,211                     |
| UNPLANNED/UNPROGAMED WORK   | 6,488                               | -                              | 16,000                                 | -                               | -                         |
| 5 YEAR CAPITAL PROG DEV   | 57,546                              | 53,042                         | 36,700                                 | 91,515                          | 38,473                    |
| <b>TOTAL</b>  | <b>\$ (190,048)</b>                 | <b>\$ (215,102)</b>            | <b>\$ (311,377)</b>                    | <b>\$ (281,982)</b>             | <b>\$ (66,880)</b>        |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| GENERAL FUND  |                                     |                                |  | \$ (281,982)                    |                           |
|   |                                     |                                |  | <b>\$ (281,982)</b>             |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| <p>The Capital Management operating budget has decreased 31% and there are no capital expenditures. Increases in Personal Services charge outs are due to a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. There is no major capital (&gt;\$10,000) for this division. The Capital Management Division is allocated to the divisions it provides services for based on an hourly rate percentage. All costs plus the administrative overhead assigned to the division are allocated.</p> |                                     |                                |  |                                 |                           |

**MISSION**

The FMPO will work with our regional partners to produce a transportation system that positively influences community character, enhances the way we experience our environment, and improves our ability to interact with the people and places necessary to our lives.

**PROGRAM DESCRIPTION**

The Flagstaff area's Cooperative, Comprehensive, and Continuing ("3C") Urban Transportation Planning Program is conducted by the FMPO through the administration and support of the City of Flagstaff, Coconino County, and the Arizona Department of Transportation (ADOT), in cooperation with state and federal agencies, including the U.S. Department of Transportation (USDOT), Federal Highway Administration (FHWA), and Federal Transit Administration (FTA).

**FY 06 ACCOMPLISHMENTS**

- ✓ Hiring of multi-modal planner
- ✓ Adoption of new City-County IGA regarding FMPO
- ✓ Completion of calibrated 2004 base year 24-hour and PM hour traffic model and build-out forecast.

**FY 07 NEW INITIATIVES**

- Existing Land Use data set and maintenance procedures
- Future Land Use scenario modeling capabilities
- Annual "State of Transportation" Report.

**PERFORMANCE MEASURES**

**Council Priority/Goal: COLLABORATION**

**Goal:** To assure coordination of transportation policies, plans and projects across member agencies.

**Objective:** Communicate regularly with member agencies collectively and individually.

| Measures:  | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Monthly meetings with TAC, Executive Board and Mgmt Cmte | N/A          | N/A          | 70%            | 90%            |
| At least one quarterly meeting with each partner agency  | N/A          | N/A          | 25%            | 90%            |

**Council Priority/Goal: PLANNING FOR GROWTH**

**Goal:** To assist the region in the visualization and measurement of existing, planned and alternative land use scenarios.

**Objective:** Cooperative development of standards, data and maintenance procedures for a regional base and future year land use models.

| Measures:  | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Relevant department heads are aware of the initiative and have adopted needed procedures for model upkeep. | N/A          | N/A          | 50%            | 100%           |
| Successful test of model upkeep procedures   | N/A          | N/A          | N/A            | 85%            |

**Council Priority/Goal: PLANNING FOR GROWTH**

**Goal:** Annual update of regional traffic model

**Objective:** Successful incorporation of new land use data into well-calibrated model

| Measures:   | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|---|--------------|--------------|----------------|----------------|
| Production of 2006 base year model calibrated to industry standards | N/A          | N/A          | 100%           | 100%           |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** To actively provide valuable information and receive input from our public and agency customers.

**Objective:** To develop and institute customer satisfaction surveys tailored to each agency/stakeholder.

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Percent or score on survey tool across several questions | N/A                     | N/A                     | N/A                       | 85%                       |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** To actively provide valuable information and receive input from our public and agency customers on transportation issues of concern to the community.

- Objective:**
1. To provide outreach to the larger community through a variety of media.
  2. To work with City and County public information staff on refining current survey tools to more effectively gauge public attitudes and achieve a 60% public satisfaction level.
  3. To produce an annual report on transportation conditions and disseminate it through a public forum.

| <b>Measures:</b>  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Number of news releases, articles and other media releases          | N/A                     | N/A                     | N/A                       | 5                         |
| Percent public satisfaction with transportation facilities/services | N/A                     | N/A                     | N/A                       | 30%                       |
| Percent satisfied with report and forum                             | N/A                     | N/A                     | N/A                       | 85%                       |

| <b>EXPENDITURES BY CATEGORY:</b>   |                                     |                                |  |                                 |                           |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES  | \$ 96,385                           | \$ 146,921                     | \$ 148,766                             | \$ 164,621                      | \$ 17,700                 |
| CONTRACTUAL  | 229,841                             | 352,797                        | 181,222                                | 596,546                         | 243,749                   |
| COMMODITIES  | 5,058                               | 8,284                          | 10,442                                 | 15,250                          | 6,966                     |
| CAPITAL  | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>   | <b>\$ 331,284</b>                   | <b>\$ 508,002</b>              | <b>\$ 340,430</b>                      | <b>\$ 776,417</b>               | <b>\$ 268,415</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION   | \$ 56,929                           | \$ 169,005                     | \$ 118,382                             | \$ 229,068                      | \$ 60,063                 |
| PUBLIC PLAN DEVEL  | 4                                   | -                              | -                                      | -                               | -                         |
| SHORT RANGE PLANNING PROG  | 213,012                             | 168,466                        | 103,600                                | 230,969                         | 62,503                    |
| TRANSPORTATION IMP   | (77)                                | -                              | -                                      | -                               | -                         |
| SHORT RANGE DATA COLLECTN  | 2,484                               | 23,000                         | -                                      | 48,000                          | 25,000                    |
| LONG RANGE TRANSIT PLAN  | 38,835                              | 82,700                         | 88,200                                 | 41,380                          | (41,320)                  |
| LONG RANGE TRANSPORT PLAN  | -                                   | 64,831                         | -                                      | 227,000                         | 162,169                   |
| LONG RANGE "OTHER" TRANSP  | 19,630                              | -                              | 30,248                                 | -                               | -                         |
| TRAFFIC ENGR GUIDANCE  | 467                                 | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>   | <b>\$ 331,284</b>                   | <b>\$ 508,002</b>              | <b>\$ 340,430</b>                      | <b>\$ 776,417</b>               | <b>\$ 268,415</b>         |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
| METROPOLITAN PLANNING FUND   |                                     |                                |  | \$ 776,417                      |                           |
|  |                                     |                                |  | <b>\$ 776,417</b>               |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| <p>The MPO operating budget has increased 53% and there are no capital expenditures. Personal Services increases are due to .5 FTE staffing addition which is an assistant position. In addition there is a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractual increases are due to higher consulting costs from the anticipated completion of a number of studies in FY2007. Commodities increases are due to computer equipment and software costs. There is no major capital (&gt;\$10,000) for this division. The MPO is a 100% grant reimbursed program.</p> |                                     |                                |  |                                 |                           |

**MISSION**

CREATING COMMUNITY TOGETHER. We are a client-focused team that enables quality development, reinvestment, and conservation of the natural and built environment through publicly adopted policies.

**PROGRAM DESCRIPTION**

The Community Development Administration Division provides leadership and vision for and coordinates the activities of the Community Improvements, Community Investment and Development Services Division. Administration also serves C.D. by coordinating issue resolution with other City Departments and external agencies.

**FY 06 ACCOMPLISHMENTS**

- ✓ Department is almost fully staffed
- ✓ NAU Conference Center team
- ✓ Federal EDA \$2.5M Grant team
- ✓ Ruskin Land Exchange Negotiations team
- ✓ Rio de Flag Management

- ✓ Fourth Street Railroad Crossing Right-of-Way Acquisition
- ✓ Open Meeting Law Compliance Training in Department
- ✓ Departmental Leadership Team Created with on-going leadership training
- ✓ All supervisors trained in "Positive Corrective Action and Documentation" by HR
- ✓ AGTS Supervisor's Academy training for staff
- ✓ City Hall Offices Filing system implemented
- ✓ Project Manager and Case Manager Broadbanding
- ✓ New telephone tree system up and running well
- ✓ Completed reorganization and Office restructuring
- ✓ Consolidated CD Library
- ✓ Comprehensive Coordinated Divisional Budgeting

**FY 07 NEW INITIATIVES**

- All major unplanned and unprogrammed staff requests to be reviewed and approved by Department Director
- Integrated Office Management for CD to tie in all Divisions, provide better customer and system support

**PERFORMANCE MEASURES**

**Council Priority/Goal:** CUSTOMER SERVICE

**Goal:** Provide On-going Leadership and Management Training

**Objective:** Professionally Lead and Managed Department Focused on our Clients

| <b>Measures:</b>                           | <b>CY 04 Actual</b> | <b>CY 05 Actual</b> | <b>CY 06 Estimate</b> | <b>CY 07 Proposed</b> |
|--|---------------------|---------------------|-----------------------|-----------------------|
| Provide Leadership and Management Training | N/A                 | N/A                 | 100%                  | 100%                  |
| Completed Division Work as Programmed      | N/A                 | N/A                 | 50%                   | 75%                   |

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 278,902                          | \$ 185,472                     | \$ 191,886                             | \$ 215,081                      | \$ 29,609                 |
| CONTRACTUAL   | 21,756                              | 81,090                         | 39,450                                 | 59,300                          | (21,790)                  |
| COMMODITIES   | 10,819                              | 15,475                         | 16,704                                 | 16,450                          | 975                       |
| CAPITAL   | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 311,477</b>                   | <b>\$ 282,037</b>              | <b>\$ 248,040</b>                      | <b>\$ 290,831</b>               | <b>\$ 8,794</b>           |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 240,348                          | \$ 282,037                     | \$ 248,040                             | \$ 290,831                      | \$ 8,794                  |
| COUNCIL AND COMMISSIONS   | 71,129                              | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 311,477</b>                   | <b>\$ 282,037</b>              | <b>\$ 248,040</b>                      | <b>\$ 290,831</b>               | <b>\$ 8,794</b>           |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| GENERAL FUND  |                                     |                                |  | \$ 290,831                      |                           |
|   |                                     |                                |  | <b>\$ 290,831</b>               |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| The Community Development operating budget has increased by 3% and there are no capital expenditures. Personal Services increases are due to a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractuals decreases are due to lower Miscellaneous Services, Training, and Travel expenses. Commodities increases are due primarily to increase Office Supplies expense. There is no major capital (>\$10,000) for this division. |                                     |                                |  |                                 |                           |

**MISSION**

The mission of the Community Development Department is to be a client focused team that enables quality development, reinvestment, and conservation of the natural and built environment through publicly adopted policies.

**PROGRAM DESCRIPTION**

The Development Services Division is responsible for working closely with applicants and the general public to process cases from the conceptual idea stage through formal applications, building plan review, building inspection, and finally occupancy approval. Our customers include the general public, developers, trade groups, other City and County staff, the Planning and Zoning Commission, and the City Council.

The Division is divided into four sections.

The Program Management Section is responsible for reviewing applications (such as site plans, rezoning, & plats). Staff applies the applicable City codes, such as the Land Development Code, and works with applicants, area residents, the Development Review Board, the Planning and Zoning Commission and the City Council to achieve the best results for all parties.

The Project Review Section is primarily responsible for administering and enforcing the provisions of the various codes regulating engineering, horizontal and vertical construction, surveying and reviewing plans to facilitate future development in the City of Flagstaff. Responsibilities include guidance for developers and investors to facilitate the ordered growth of the City of Flagstaff. Staff provides detailed plan check to ensure compliance with applicable codes and ordinances, on site inspections, review and update of all codes to conform to current trends in the engineering and construction industry, and abatement of safety hazards and unsanitary conditions.

The Project Inspection Section is primarily responsible for administering and enforcing the provisions of the various codes regulating horizontal and vertical construction, to ensure compliance with applicable codes and ordinances, on-site inspections, review and update of all codes to conform to current trends in the engineering and construction industry, and abatement of safety hazards and unsanitary conditions.

The Public Works Inspection and Materials Testing Lab Section is responsible for providing construction inspection and materials testing services to the other City Departments, as well as to private development contractors. This section is responsible for the inspection and testing of infrastructure improvements that will eventually become City property. They are also responsible for coordinating, communicating and interfacing with the different groups involved with constructing projects throughout the City.

**FY 06 ACCOMPLISHMENTS****Planning for Growth and Customer Service**

- ✓ Administer the Development Review Board Process. The Project Management Section will provide assistance to the Development Services Director in implementing a new Development Review Board process which includes quicker contact with applicants, quicker turn-around for smaller projects, more predictable time-tables, early screening of applications, clear approval conditions, early notification of issues, a DRB consent agenda, and a helpful "omnibus" case manager.
- ✓ Implement a single-point of contact system to provide excellent customer service in processing the various types of development proposals. The Project Management Section reviewed a total of 327 concept and site plan proposals throughout the review period.
- ✓ Continued review of miscellaneous building permits. The Project Management Section provided timely review of approximately 54 miscellaneous building permits during the fiscal year.
- ✓ Continued processing of lot-split requests. The Project Management Section processed 36 lot splits during the fiscal year.
- ✓ Assisted the Information Services to implement the new Development Review Board process within KIVA. This effort will include the auditing of all permits to assure seamless customer service throughout the various permitting processes.
- ✓ Provided a complete and comprehensive review of over 300 plans submitted. The new Development Review Board process will streamline various processes and permits. This will allow the sharing of information City wide.
- ✓ Administered the Design Review Guidelines ordinance. A complete and comprehensive ordinance review was completed this year and only a few minor updates and revisions were

recommended to the Zoning Administration Section. This revision will be included within the next update.

- ✓ Provide assistance to Zoning Administration Section. The Project Management Section has provided expertise and suggested amendments to the LDC and will further assist in the re-write of the LDC and any interim revision program.
- ✓ Reviewed and redesigned of a wide variety of repetitive review processes (engineering and building plans), adoption of new International Building Codes, 2003 edition, authoring an ordinance to include Flagstaff specific requirements, reinstatement of ISO ranking, and the establishment of a new residential KIVA process which included .75 FTE of zoning enforcement requirements by the residential plans examiners.
- ✓ Incorporated a 72 hour turn-around time for initial residential submittals and initiating the re-chartering of KIVA software for the upcoming year. A private consultant, Wasatch, has been secured to review all in-house processes using the KIVA software and to make recommendations for improvements.
- ✓ The critical portions of engineering review and building review have been incorporated into the new Development Review process which provides applicants with clear guidance on how to process applications. The single-point-of-contact aspects are located within the Project management Section, yet the design participation and team effort to putting this new process into affect was a part of a team effort that required input from the other two sections within Development Services.
- ✓ The project Review Section has moved all of the monthly statistical reports to the City of Flagstaff website to provide a wider audience the information needed to made development decisions.
- ✓ A total of 24 major construction projects received a Final Letter of Acceptance from the City Engineer.
- ✓ Inspected 47 major private development projects and 13 capital improvement projects.
- ✓ No warranty work was required on any of the construction projects last year.
- ✓ 93% of inspections were performed within 24 hours from time of request.
- ✓ 2003 International Codes, 2005 National Electric Code, and City amendments were adopted.
- ✓ Performed approximately 49,500 inspections (198/day) last year.
- ✓ Building and Fire Code Board of Appeals re-established and participating in code issues and adoptions.

#### **Economic Development/Redevelopment**

- ✓ Provided expertise on several redevelopment and economic development projects such as Small Business Incubator, Downtown Gateway West, Flagstaff Mall Expansion and Auto Park, Sawmill and Southside implementation.
- ✓ Processed applications for Villagio Montana commercial/residential, Mall and Marketplace, Canyon del Rio mixed use, St Francis de Assisi Church rezoning, Rio Homes affordable housing subdivision, and Presidio in the Pines development.
- ✓ Continue to provide assistance to the Housing Section to provide work force housing projects. Currently processing various plats within Rio Homes and discussing affordable housing with the various rezoning applications.
- ✓ Submitted comments concerning proposed developments with the County Planning Division as agreed with the regional mutual review system. The Section also receives comments from the County on proposals adjacent to the City Limits.

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#### **FY 06 ADDITIONAL ACCOMPLISHMENTS**

- ✓ Analyzed and prepared a proposal to fully upgrade and implement KIVA computer permit tracking system in the FY07 budget as directed by the City Council.
- ✓ Worked with other City divisions and departments to integrate all input into the Development Review Board using the revised process and a single-point-of-contact Case Manager.
- ✓ Serve as the City's representative on the Government Affairs Committee of NABA.
- ✓ Modified the Fire Code to regulate condo conversions.

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#### **FY 07 NEW INITIATIVES**

##### **Enhance Customer Service while Accommodating Growth**

- Refine the new Development Review Process with an annual assessment.
- Augment the single-point-of-contact staff role with the Development Services Division.
- Continue to process miscellaneous building permits, lot-split request and perform the duties related to Land Information Management.

- Implement the revised and updated KIVA LIS/Permit tracking software proposed with this budget. This will include very quick turn around on DRB actions, field inspection reporting, monitoring review times and real time knowledge of the status of projects within the review cycle.
  - Review of Wasatch consultant (hired in March 2006) recommendation of the existing KIVA software LIS and permitting system and business practices will be incorporated into improving how the Division reviews and builds a supportable annual work programs. The expected outcome is to provide customers with consistent requirements and tracking of business processing.
  - Provide assistance to the Community Investment Division (Zoning Administration) on amendments to the Land Development Code and any re-write effort.
  - Continue to participate in the City/County mutual review system.
  - Review and process sign permit applications.
  - Provide enhanced Planner of the Day services to the general public by telephone and front counter services.
  - Review the Design Review Guidelines for possible additions and deletions.
  - Use wireless access to result inspections as they are done.
  - Acquire the remote inspector module to KIVA to eliminate double work and perform more daily inspections.
  - Upgrade to new tablet style computers to result inspections to stop double work by inspectors.
  - Provide better customer service by performing 95% of inspections within 24 hours of request.
  - Aide in implementing Council adopted initiatives resulting from the Housing Affordability Task Force.
  - Provide assistance to implement the Regional Plan.
- Analyze the completion of the first annual review of the Engineering Standards and the feedback from the professional community on how these changes affect the ability of applicants to consistently process plans for development. The private design professional community is working closely with the City Engineer to provide feedback and refine these standards for developers.
  - A more detailed review of the Engineering Plan check process, commercial process, and completion of the residential processes should minimize confusion from management to any participant in the review process of what an individual project's status is.
  - As Development Services transitions to the single-point-of-contact and the need for each individual Department or Agency's conditions or comments are made for project approval, the refinement of the computer programs for tracking and participation by each reviewer will be crucial to assuring timely processing and issuing of a wide variety of permits.
  - Continue to coordinate work with private groups such as NABA to improve customer service and the quality of new development.
  - Process completely and in a timely manner such anticipated large cases as Villagio Montana, Sawmill, Canyon del Rio, Presidio in the Pines, and the Mall.
  - Complete the modification of developer prepared "as-built" plans.
  - Increase training and certifications for inspectors, plan reviewers, and lab technicians.
  - Complete procedural manuals for each process within Development Services Division.
  - Support adoption of revised development fees.
  - Support adoption of impact fees.

## PERFORMANCE MEASURES

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Provide specific detailed information that indicates type of construction (commercial, residential, misc.) and development projects that are being executed within the City of Flagstaff on a monthly (statistical) report.

**Objective:** Detail the projected growth of construction and the location within the MPO for construction trends and provide this information through activity reports, website information and interaction by clients using web based permitting information. The detailed statistic report is available currently by request. Once an enhanced LIS system is completed and made web-based, it would be desirable for individuals (customers) to find where construction permits are issued by reviewing a City map through the internet.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Number of of new single family residential permits issued               | 300             | 281             | 295               | 495               |
| Number of Multi-family permits issued (duplexes, triplexes, townhouses) | 20              | 88              | 232               | 250               |
| Number of manufactured housing permits issued                           | 180             | 100             | 55                | 100               |

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Provide specific detailed information on the type and quantity of land uses being approved though the Development Review Process.

**Objective:** Provide a baseline of development activity/information within the community and the specific locations within our community. This information will assist our clients and customers with an actual projection of growth and market conditions.

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Number of single family residential lots approved        | N/A             | 1,305           | 1,300             | 1,500             |
| Number of cases reviewed by the Development Review Board | N/A             | 327             | 360               | 370               |
| Amount of single-family residential lots approved        | N/A             | 1,254           | 1,250             | 1,450             |
| Number of multi-family residential project approved      | N/A             | N/A             | 100               | 150               |
| Square footage of commercial approved                    | N/A             | N/A             | 600,000           | 200,000           |
| Square footage of industrial approved                    | N/A             | N/A             | 50,000            | 50,000            |

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Provide the ability to anticipate building construction (both residential and commercial) by tracking the types of engineering permits and Platting processes that are approved through DRB as well as the actual issuance of engineering and building permits.

**Objective:** Detail the time line between when permit applications are made and when the permits are issued and keep track of number of plats being requested during a given year. A key element of planning for growth is to be able to estimate the time for reviews and what areas of review are the most difficult to complete. Staff will be able to track and measure this through several construction seasons so that better information is provided to the client.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Track the time between when an application is submitted and when the applicant is notified of critical requirements that may delay processing of the application (this will require training and revamping how we currently use the KIVA permit software and enhancement requested)-measured in day | (Unk)           | (Unk)           | 4                 | 3                 |
| Track the time from when an applicant is notified of problems and when the applicant makes the required corrections   | (Unk)           | (Unk)           | 15                | 12                |
| Track the total time from application to when the permit is available for issuance (construction start is separate)   | (Unk)           | (Unk)           | 25                | 22                |

**Objective:** Detail the projected growth of construction and the location within the MPO for construction trends and provide this information through activity reports, website information and interaction by clients using web based permitting information. Once an enhanced LIS system is completed and made web-based, it would be desirable for individuals (customers) to find where construction permits are issued by reviewing a City map through the internet.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Number of commercial/industrial building permits processed (separate tracking of square footage included) | 32              | 38              | 45                | 50                |
| Number of apartment/condo units permitted   | 6               | 265             | 350               | (Unk)             |
| Number of major/minor tenant improvement projects permitted   | 85              | 88              | N/A               | 100               |

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Track the amount of land consumed (Acres) by residential development as well the number of units, which will provide average density on a yearly basis. This information will be a tool to project our land supply and planning growth boundary changes.

**Objective:** Within the New Development Review Process and the new permit within KIVA, this above data will be capture for reporting next year.

| Measures:                           | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|-------------------------------------|-----------------|-----------------|-------------------|-------------------|
| Acres approved for residential lots | N/A             | N/A             | N/A               | N/A               |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** The ability to measure how well we are servicing our clients is often boiled down to "time is money". A majority of the regulatory review done by the Project Review Section is best received when clients know about problems early in the process and can then get corrections made in a timely manner. The goal of measuring these times would be to provide feedback to both the client and the reviewers on where to improve the processes and thereby provide quality products.

**Objective:** The objective is to provide initial feedback on all types of permits within 72 hours. Depending upon quality of the submittal, review requirements, capacity of the system and ability to communicate requirements early.

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Percentage of applicants called within 72 hours of submittal | 0               | (Unk)           | 90%               | 95%               |
| Percentage of positive/negative comments from survey         | 0               | (Unk)           | 15/5%             | 35/5%             |
| Percentage of complaints versus number of customers served   | 0               | (Unk)           | 8%                | 5%                |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** To be able to provide the building community inspections in a time frame that will not hinder the progress of the project.

**Objective:** To conduct 95% of inspections on the day requested.

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Percentage of inspection requests conducted on day requested | N/A             | N/              | 95%               | 95%               |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** To have KIVA permits signed off.

**Objective:** To get all old and new permits that have been finalized signed off in KIVA so as to give the correct status of the project.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Have all permits in KIVA that have been finalized or passed indicated as done | N/A             | N/A             | 95%               | 100%              |

**Council Priority/Goal: CUSTOMER SERVICE****Goal:** Insure that the inspectors and contractors have timely and accurate testing.**Objective:** Accurate field and lab testing.

| <b>Measures:</b>                                      | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Positive feedback from the inspectors and contractors | Good reports            | Good reports            | Good reports              | Good reports              |
| Number of tests performed                             | N/A                     | 12,500                  | 13,000                    | 13,500                    |

**Council Priority/Goal: CUSTOMER SERVICE****Goal:** Promote safety by keeping Lab personnel safe in the field and in the lab.**Objective:** Proper training of Lab personnel.

| <b>Measures:</b>                               | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Number of injuries in the field and in the lab | None                    | None                    | None                      | None                      |

**Council Priority/Goal: CAPITAL IMPROVEMENT****Goal:** Inspect and test 90% of the Capital Improvement projects.**Objective:** Provide additional support services for those projects that require inspection services in the city right-of-way or easement.

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Percentage of Capital projects that staff actually inspect | N/A                     | 86%                     | 88%                       | 90%                       |
| Number of inspections conducted                            | N/A                     | 11,000                  | 13,000                    | 13,000                    |

**Council Priority/Goal: ORGANIZATIONAL SUPPORT****Goal:** Encourage education and training by supporting the National Institute of Certified Engineering Technician certifications.**Objective:** Ensure that staff is trained to achieve the goals of the City now and in the future.

| <b>Measures:</b>                                | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Number of Highway Construction certifications.  | 4                       | 4                       | 5                         | 6                         |
| Number of Underground Utilities certifications. | 4                       | 4                       | 5                         | 6                         |
| Number of Materials Testing certifications.     | 4                       | 4                       | 4                         | 5                         |

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 962,481                          | \$ 2,404,860                   | \$ 2,211,333                           | \$ 2,696,442                    | \$ 291,582                |
| CONTRACTUAL   | 110,638                             | 143,264                        | 145,447                                | 164,830                         | 21,566                    |
| COMMODITIES   | 57,752                              | 93,585                         | 92,127                                 | 113,078                         | 19,493                    |
| CAPITAL   | 18,918                              | 95,000                         | 94,111                                 | 179,350                         | 84,350                    |
| <b>TOTAL</b>  | <b>\$ 1,149,789</b>                 | <b>\$ 2,736,709</b>            | <b>\$ 2,543,018</b>                    | <b>\$ 3,153,700</b>             | <b>\$ 416,991</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 148,105                          | \$ 1,624,346                   | \$ 394,567                             | \$ 114,642                      | \$ (1,509,704)            |
| COUNCIL AND COMMISSIONS   | 278                                 | 5,750                          | 1,684                                  | 5,750                           | -                         |
| PRIVATE DEVELOPMENT ENGR  | 231,413                             | 328,840                        | 295,248                                | 331,893                         | 3,053                     |
| TRAFFIC ENGINEERING   | 214,684                             | 2,080                          | 7,334                                  | -                               | (2,080)                   |
| PUBLIC WORKS INSPECTION   | 356,422                             | 384,997                        | 382,552                                | 594,141                         | 209,144                   |
| MATERIALS TESTING   | 100,264                             | 179,898                        | 165,249                                | 241,537                         | 61,639                    |
| SURVEY  | 98,228                              | 118,324                        | 122,941                                | 143,393                         | 25,069                    |
| STORMWATER MANAGEMENT   | 20                                  | -                              | 20                                     | -                               | -                         |
| ADEQ PLAN APPROVAL  | 375                                 | 34                             | 4                                      | 11,597                          | 11,563                    |
| BUILDING PLANNING REVIEW  | -                                   | 4,150                          | 371,388                                | 493,024                         | 488,874                   |
| BUILDING INSPECTION   | -                                   | 59,840                         | 516,496                                | 734,008                         | 674,168                   |
| CODE ENFORCEMENT  | -                                   | 1,350                          | 13,084                                 | -                               | (1,350)                   |
| DEVELOPMENT REVIEW  | -                                   | 27,100                         | 272,451                                | 483,715                         | 456,615                   |
| <b>TOTAL</b>  | <b>\$ 1,149,789</b>                 | <b>\$ 2,736,709</b>            | <b>\$ 2,543,018</b>                    | <b>\$ 3,153,700</b>             | <b>\$ 416,991</b>         |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
|   | GENERAL FUND                        |                                |  | \$ 1,848,714                    |                           |
|   | HIGHWAY USER REVENUE FUND           |                                |  | 729,403                         |                           |
|   | WATER AND WASTEWATER FUND           |                                |  | 537,965                         |                           |
|   | STORMWATER FUND                     |                                |  | 37,618                          |                           |
|   |                                     |                                |  | <b>\$ 3,153,700</b>             |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| <p>The Development Services operating budget has increased 13% and capital expenditures total \$179,350 resulting in an overall net increase of 15%. Personal Services increases are due to 4 FTE staffing additions that include Inspector I, Inspector II, Associate Planner, and Case Manager. In addition there is a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractuals increases are due to increases in Telephone, Advertising, Training, and Travel expenses. Commodity increases are due to Gas &amp; Oil and Miscellaneous Computer Equipment. Major capital (&gt;\$10,000) includes hybrid vehicle and equipment replacements as well as a hybrid vehicle for the new Inspector I position.</p> |                                     |                                |  |                                 |                           |

**MISSION**

The Community Development Department is a client focused team that enables quality development, reinvestment and conservation of the natural and built environment through publicly adopted policies.

**PROGRAM DESCRIPTION**

The Community Improvements organizational Division is made up of 4 sections: Capital Improvements, Flagstaff Metropolitan Planning Organization, Stormwater Management and Traffic Engineering. Division 17 is responsible for general administration of all sections and includes Traffic Engineering.

**FY 06 ACCOMPLISHMENTS**

- ✓ Conducted Division chartering to develop team centered approach to balanced scorecard measures (performance measures).
- ✓ Conducted Bi-monthly Division meetings.
- ✓ Responsive to needs of the citizens, Council, Manager, and City Departments/Divisions.
- ✓ Provided thorough weekly reports to the City Manager.
- ✓ Provided consistent leadership and support for the Division.
- ✓ Provided internal support for completion of the Lone Tree Corridor Study, the Villagio-Montaña Regional Land Use and Master Plan revision, and the Blue Cross/Blue Shield Walking and Biking Map.
- ✓ Wrote, and had adopted by Council, ordinances to: 1) Prohibit smoking in sidewalk cafes on public right of way; and 2) Modify the City's snow removal parking regulations to improve enforceability and to accommodate the changes in state laws governing tavern operating hours.

- ✓ Completion of the Dodge Avenue Traffic Diversion (neighborhood preservation) Study and adoption of the recommended Improvement Plan.
- ✓ Optimized the operation of individual City traffic signals for fall/winter/spring (school in session) traffic conditions, and synchronized City traffic signals along City street corridors for the same conditions. The improvement to the flow of traffic on Butler Avenue near NAU was noted by users.
- ✓ Modified the signing and pavement markings at the intersections of Butler Avenue with Beaver Street and Milton Road, and at Woodlands Village Boulevard with Beulah Boulevard, improving the operation of the heavy turn movements at these locations.

**FY 07 NEW INITIATIVES**

- Develop strategic initiatives, complete and meaningful performance measures and implementation strategies for FY 2008.
- Continue to support Boards, Commissions and their sub-committees to engage the public and establish positive working relationships.
- Provide consistent leadership and support for the Division.
- Work closely with other Divisions to ensure thorough Departmental Communication.
- Ensure a well-trained/equipped Team-Centered staff.
- Increase use of the City's web page.
- Work with ADOT, and FMPO to acquire accurate clocks for each controller cabinet to provide a common time source for synchronization in order to improve coordination between the City and State traffic signal systems.
- Design and implement a summer (school-out/tourist season) synchronization plan for the City traffic signals.

**PERFORMANCE MEASURES**

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Develop traffic service request tracking system and service categorization & prioritization scheme.

**Objective:** A service request tracking system and service categorization & prioritization scheme will allow staff to better track, categorize and prioritize service requests and customer complaints.

| Measures:   | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|---|--------------|--------------|----------------|----------------|
| Implement traffic service request tracking system and service categorization & prioritization scheme. | 70%          | 70%          | 85%            | 100%           |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Encourage employees to receive training specific to technical job requirements, project delivery, customer service, supervisory skills, governmental management.

**Objective:** Training staff in team building and process development/management skills will enhance our ability to provide excellent customer service.

| Measures:  | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Current staff trained in project delivery systems. | 100%         | 80%          | 100%           | 100%           |

**Council Priority/Goal: QUALITY OF LIFE/PUBLIC SAFETY**

**Goal:** Design and implement optimized summer-conditions (school-out/tourist season) timing plans for all 32 City traffic signals.

**Objective:** Improve traffic signal operations to reduce delays and congestion at individual intersections on City streets.

| Measures: For all City traffic signals:                         | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|---|--------------|--------------|----------------|----------------|
| Completion of necessary intersection turning movement studies   | N/A          | N/A *        | 32 of 32       | N/A            |
| Design of intersection timing plans.                            | N/A          | N/A *        | 32 of 32       | N/A            |
| Installation of plans, and fine-tuning of intersection timings. | N/A          | N/A *        | 32 of 32       | N/A            |

\* Optimized signal timing plans for the school year traffic patterns were installed in 100% of City Traffic Signals in CY 04 and 05.

**Council Priority/Goal: QUALITY OF LIFE/PUBLIC SAFETY**

**Goal:** Design and implement summer-conditions synchronization plans for arterial and collector corridors on the City street system.

**Objective:** Improve traffic system operations to reduce delays and congestion along corridors on the City streets that have closely spaced traffic signals.

| Measures: For 9 identified corridors                                | CY 04 Actual | CY 05 Actual | CY 06 Estimate   | CY 07 Proposed   |
|---|--------------|--------------|------------------|------------------|
| Completion of necessary link and intersection traffic counts.       | N/A          | N/A *        | 5 of 9 corridors | Remaining 4 of 9 |
| Design of individual system timing plans.                           | N/A          | N/A *        | 5 of 9           | 4 of 9           |
| Installation of plans, and fine-tuning of offsets and cycle splits. | N/A          | N/A *        | 5 of 9           | 4 of 9           |

Corridor synchronization plans for the school year traffic patterns were installed in 100% of City Traffic Signals in CY 04 and 05.

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 881,164                          | \$ 378,509                     | \$ 413,040                             | \$ 471,325                      | \$ 92,816                 |
| CONTRACTUAL   | 45,213                              | 9,335                          | 13,275                                 | 19,615                          | 10,280                    |
| COMMODITIES   | 45,030                              | 8,400                          | 13,803                                 | 20,100                          | 11,700                    |
| CAPITAL   | 17,406                              | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 988,813</b>                   | <b>\$ 396,244</b>              | <b>\$ 440,118</b>                      | <b>\$ 511,040</b>               | <b>\$ 114,796</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 335,992                          | \$ 154,624                     | \$ 159,648                             | \$ 181,005                      | \$ 26,381                 |
| ON-SITE FIELD INSPECTION  | 472,781                             | -                              | 18,326                                 | -                               | -                         |
| PLAN REVIEW   | 180,040                             | -                              | 6,844                                  | -                               | -                         |
| TRAFFIC BOARDS & COMMISSN   | -                                   | 1,400                          | 1,400                                  | 3,353                           | 1,953                     |
| TRAFFIC ENGINEERING   | -                                   | 240,220                        | 253,900                                | 326,682                         | 86,462                    |
| <b>TOTAL</b>  | <b>\$ 988,813</b>                   | <b>\$ 396,244</b>              | <b>\$ 440,118</b>                      | <b>\$ 511,040</b>               | <b>\$ 114,796</b>         |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| GENERAL FUND  |                                     |                                |  | \$ 511,040                      |                           |
|   |                                     |                                |  | <b>\$ 511,040</b>               |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| <p>The Community Improvement operating budget has increased 29% and there are no capital expenditures. Personal Services increases are due to 1 FTE staffing addition which is the PM II-Traffic position. In addition there is a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractuals increases are due to increases in Travel, Telephone, and Training expenses. Commodities increases are due to increases in Computer Hardware, Software, and other Equipment expenses. There is no major capital (&gt;\$10,000) for this division.</p> |                                     |                                |  |                                 |                           |

**ADVANCE PLANNING**

**MISSION**

We are a client-focused team that enables quality development, reinvestment and conservation of the natural and built environment through publicly adopted policies.

**PROGRAM DESCRIPTION**

Advanced Planning - The Community Investment Division prepares, plans and implements programs and projects for the City's future growth and development in a manner that preserves our region's livability, sense of community and the natural environment. The Division works to ensure that Flagstaff has a compact land use pattern that provides for Open Space, Land Use and Growth Management, Housing and Neighborhoods, Commercial Development, Industry and Employment, Infill and Reinvestment and the Cost of Development.

**FY 06 ACCOMPLISHMENTS**

- ✓ **Advanced Planning Section:**
- ✓ Regional Plan Implementation:
- ✓ Expansion of the Flagstaff Urban Trail System (FUTS) Program Continued
- ✓ State Parks grant funding approved for FUTS signs.
- ✓ Blue Cross Blue Shield FUTS Map completed and printed.

- ✓ Amended Regional Plan to allow for land use, transportation and infrastructure planning separate from the rezoning process.
- ✓ Amended the Regional Plan Planning Reserve Area (PRA) in southwest part of the city to designate specific land uses and major transportation roadways.
- ✓ The Flagstaff Community Housing Policy Task Force completed its mission and compiled a list of recommendations for City Council consideration.
- ✓ Lone Tree Road Corridor --The Planning component of the Lone Tree Road Corridor was provided by Advanced Planning staff, including impacts on existing and proposed neighborhoods and developments; access and connectivity; environmental impacts; compatibility of uses; and mitigation and alleviation of detrimental conditions.

**FY 07 NEW INITIATIVES**

- Area planning for PRAs to include remaining lands within Urban Growth Boundary
- Assist other city departments prepare master plans in accordance with Regional Plan
- Undertake Digital Comprehensive Planning and analysis for build-out areas of the City
- Undertake master planning for area along Lone Tree Road Corridor adjacent to Kinsey School

**PERFORMANCE MEASURES**

**Council Priority/Goal: CAPITAL IMPROVEMENT**

**Goal:** Infrastructure and public services will be provided in an efficient, equitable and effective manner.

**Objective:** Produce departmental master plans for services provided.

| Measures:   | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|---|--------------|--------------|----------------|----------------|
| Through the CIC (Capital Improvements Committee), city departments will prepare master plans in accordance with Regional Plan policies and strategies and expected urban growth boundary build-out.                               | N/A          | N/A          | YES            | YES            |
| If digital comprehensive planning is used as a tool to prepare growth scenarios and enable analysis of policies relating to development and infrastructure decisions, it will assist in the use of model-based land use planning. | N/A          | N/A          | 25%            | 50%            |
| Departmental master planning is undertaken.   | N/A          | N/A          | 25%            | 50%            |

**Council Priority/Goal: PLANNING FOR GROWTH-**

**Goal:** Greater Flagstaff will have a compact land use pattern within a well-defined boundary that shapes growth in a manner that preserves the region's natural environment, livability, and sense of community. Flagstaff will continue to offer the primary types of housing design developments that have defined its land use patterns: the conventional and traditional neighborhood scale which provides a choice of housing types and supporting non-residential uses within walking distances.

**Objective:** Continue neighborhood and area planning in the City and designate land use categories to PRA's.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| The State Land Department and the City undertake planning of State Planning Reserve Areas in the city using digital comprehensive planning. | N/A             | N/A             | 25%               | 75%               |
| Advanced Planning Section, FMPO and other city departments prepare area plans for PRAs using digital comprehensive planning.                | N/A             | N/A             | 25%               | 50%               |
| PRAs are re-designated to land use categories.  | N/A             | N/A             | 25%               | 75%               |

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** High standards will be maintained for protection and improvement of the region's quality of life offered by its natural and cultural, historic and archaeological resources and its natural environment.

**Objective:** Support Congressional legislative effort for a study to protect lands adjacent to Walnut Canyon.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Adjacent Walnut Canyon land study is funded and undertaken. | N/A             | N/A             | Yes               | Yes               |

**Council Priority/Goal: PLANNING FOR GROWTH**

**Goal:** Prioritize and continue implementation of the policies, plans and projects in the Regional Plan.

**Objective:** Develop a methodology and timeframe that addresses the policies and strategies in the Regional Plan and how they have been or can be implemented and start prioritized implementation.

| Measures:                               | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Implementaiton Matrix is prepared       | N/A             | N/A             | 100%              | N/A               |
| Policies and strategies are prioritized | N/A             | N/A             | 100%              | N/A               |
| Strategy(ies) implementation begun      | N/A             | N/A             | 10%               | 20%               |

**Council Priority/Goal: PLANNING FOR GROWTH**

**Goal:** Prioritize and continue implementation of the policies, plans and projects in the Regional Plan.

**Objective:** Determine the alignment and its impacts for the proposed Lone Tree Road Corridor to complete its extension between Route 66 and John Wesley Powell Boulevard. by planning for the Lone Tree Road Corridor in the area adjacent to Kinsey School

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| All stakeholders (NAU, School District & USFS) agree to plan | N/A             | N/A             | 100%              | N/A               |
| An area plan is prepared                                     | N/A             | N/A             | 25%               | 75%               |
| An area plan is adopted by the City Council                  | N/A             | N/A             | N/A               | 100%              |

**ZONING ADMINISTRATION**

**MISSION**

Code Administration - To promote health, well being, and general quality of life for the citizens of Flagstaff through enforcement of relevant City Codes.

**PROGRAM DESCRIPTION**

Code Enforcement - Enforcement of the Land Development Code.

**FY 06 ACCOMPLISHMENTS**

- ✓ Transfer the zoning review portion of single-family permits to the Development Services Division.
- ✓ Transfer sign permit applications and review to the Development Services Division.
- ✓ Establish lighting inventory database.
- ✓ Start pro-active enforcement programs.
- ✓ Review temporary use permit applications for compliance.
- ✓ Review zoning verification request locations for compliance.

- ✓ Review liquor license applications for compliance.
- ✓ Review property maintenance codes from other jurisdictions for ordinance adoption.
- ✓ Retain consultant to study Development/Impact Fees

**FY 07 NEW INITIATIVES**

- Create a computer database for code violations and tracking.
- Identify pro-active enforcement priorities.
- Provide input on the adoption of a Property Maintenance Code.
- Initiate property inspections utilizing CDBG funding.
- Create a Code Enforcement policies and procedures manual.
- Standardize violation notices, reports and records.
- Obtain Code Enforcement Officers certification.
- Create Code Enforcement web site page.
- Rewrite of Land Development Code

**PERFORMANCE MEASURES**

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** Obtain specialized enforcement computer program

**Objective:** Ability to track and report code enforcement actions

**Measures:**

|  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Ability to log and track enforcement cases   | N/A                     | N/A                     | N/A                       | yes                       |
| Ability to create reports of enforcement actions   | N/A                     | N/A                     | N/A                       | yes                       |
| Ability to report on problem areas and specific violations and maintain database linked to parcels | N/A                     | N/A                     | N/A                       | yes                       |

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** Increase pro-active inspection programs

**Objective:** Decrease client reactive complaints

**Measures:**

|   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Establish daily commercial complex maintenance inspections  | N/A                     | N/A                     | N/A                       | yes                       |
| Establish annual industrial complex maintenance inspections | N/A                     | N/A                     | N/A                       | yes                       |
| Establish other priority violation inspections              | N/A                     | N/A                     | N/A                       | yes                       |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** Create Property Maintenance Code**Objective:** Adopt code enforcing property maintenance standards

| <b>Measures:</b>                                  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Provide input for enforceability of proposed code | N/A                     | N/A                     | N/A                       | yes                       |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** Residential property maintenance inspection program**Objective:** Inspect residential properties utilizing CBDG funding

| <b>Measures:</b>                                      | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Establish inspection boundaries                       | N/A                     | N/A                     | N/A                       | yes                       |
| Establish violation parameters                        | N/A                     | N/A                     | N/A                       | yes                       |
| Establish documentation requirements for CDBG funding | N/A                     | N/A                     | N/A                       | yes                       |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** Policy and procedures manual**Objective:** Create clear and direct system for enforcement

| <b>Measures:</b>                                 | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Create standard procedures for violation actions | N/A                     | N/A                     | N/A                       | yes                       |
| Create time lines for enforcement actions        | N/A                     | N/A                     | N/A                       | yes                       |
| Create officer protocol for enforcement actions  | N/A                     | N/A                     | N/A                       | yes                       |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** Standardization of documents**Objective:** Standardize reports, notices and letters

| <b>Measures:</b>                             | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Create form letter database                  | N/A                     | N/A                     | N/A                       | yes                       |
| Create standard violation notices            | N/A                     | N/A                     | N/A                       | yes                       |
| Create standard court report for prosecution | N/A                     | N/A                     | N/A                       | yes                       |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** Officer certification**Objective:** Recognized officer certification

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Certified Housing and property maintenance inspector certificate | N/A                     | N/A                     | N/A                       | yes                       |
| Certified Zoning Enforcement Officer                             | N/A                     | N/A                     | N/A                       | yes                       |
| Certified Code Enforcement Officer                               | N/A                     | N/A                     | N/A                       | yes                       |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** Enforcement web site page**Objective:** Provide clients information

| <b>Measures:</b>                                       | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Provide information on violation types and corrections | N/A                     | N/A                     | N/A                       | yes                       |
| Provide clients information on City enforcement unit   | N/A                     | N/A                     | N/A                       | yes                       |
| Provide on-line complaint form                         | N/A                     | N/A                     | N/A                       | yes                       |

**COMMUNITY REINVESTMENT**

**MISSION**

Community Reinvestment - Redevelop the community to reinvest and rebuild itself for sustainable economic health.

**PROGRAM DESCRIPTION**

Commercial Development, Industry and Employment, Infill and Reinvestment.

**FY 06 ACCOMPLISHMENTS**

- ✓ Mall started construction
- ✓ Incubator project kept in Flagstaff and moved to USGS campus
- ✓ Auto Technical Training School being planned with Coconino Community College
- ✓ Auto Park has 10 confirmed tenants
- ✓ Completion of Southside Plan
- ✓ Established revised reporting procedures and working relationship with GFEC

- ✓ Marketed Flagstaff at ICSC in Palm Springs and Las Vegas, ULI in Los Angeles

**FY 07 NEW INITIATIVES**

- Creation of Downtown Parking District
- Formation of Downtown Business Improvement District
- Begin Southside Plan Implementation Strategies
- Planning for Fourth Street Redevelopment
- Development of Milton Road as a City Gateway
- Route 66 Heritage Corridor Planned
- Establish "Infill Incentive Districts"
- USGS Campus Redevelopment
- Science and Technology Park developer selected
- Sawmill District under construction
- Assist in Brownfields Land Recycling Program
- Promote Flagstaff at ICSC Las Vegas, ICSC Palm Springs, and ULI Denver

**PERFORMANCE MEASURES**

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Promote Downtown as a cultural and shopping destination

**Objective:** Provide a well-managed Parking District

| Measures:  | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Establish a Parking Meter Zone   | N/A          | N/A          | N/A            | 100%           |
| Identify Public Parking areas with a signs and map, available at CVB, downtown kiosks, and web site. | N/A          | N/A          | N/A            | 100%           |
| Identify a Public Parking Garage site with proposed funding  | N/A          | N/A          | N/A            | YES            |

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Promote Downtown as a cultural and shopping destination

**Objective:** Establish a Business Improvement District (BID)

| Measures:  | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Proposed BID has support from at least 51% of downtown business owners within boundary set by property owners. | N/A          | N/A          | N/A            | YES<br>100%    |
| BID is legally established   | N/A          | N/A          | N/A            | YES<br>100%    |

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Establish Fourth Street as a culturally rich retail and business corridor.

**Objective:** Identify redevelopment opportunities in Fourth Street overpass corridor.

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| RFQ sent out for south sites at Fourth Street and Route 66 | N/A             | N/A             | Yes<br>100%       | N/A               |
| Pursue opportunities for Fourth Street Corridor            | N/A             | N/A             | N/A               | Yes<br>100%       |

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Stimulate Southside retail and services

**Objective:** Implementation of 2005 Southside Plan strategies for redevelopment.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Propose an Overlay District for Southside District - establish design guidelines and incentives for proper infill and adaptive re-use | N/A             | N/A             | Yes               | N/A               |
| Identify underutilized sites and pursue proper redevelopment  | N/A             | N/A             | Yes               | Yes               |
| Encourage and protect small scale businesses  | N/A             | N/A             | Yes               | Yes               |

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Establish Milton Road as a Gateway to the Community

**Objective:** Make Milton Road aesthetically pleasing with quality retail and hospitality choices to serve tourists and locals.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Work with Transportation Planning/FMPO and Urban Design to create a visual representation of what Milton Road could be. | N/A             | N/A             | Yes               | N/A               |
| Identify underutilized sites and propose future uses  | N/A             | N/A             | Yes               | Yes               |

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Establish Route 66 as a Heritage Corridor

**Objective:** Preserve and redevelop Route 66 to attract the Heritage Tourist

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Work with community and property owners to develop a Route 66 Heritage Corridor Plan - design guidelines and incentives for quality retail, service, and cultural amenities | N/A             | N/A             | 50%               | 50%               |
| Encourage a Route 66 Business Association   | N/A             | N/A             | Yes               | N/A               |
| Develop a package of federal, state and local incentives for historic preservation and restoration of existing structures.  | N/A             | N/A             | Yes               | Yes               |

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Promote redevelopment in underutilized neighborhoods

**Objective:** Establish 'Infill Incentive Districts'

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| White paper on which neighborhoods fit criteria of "Infill Incentive Districts" with proposed incentives | N/A             | N/A             | 100%              | N/A               |
| Public Education process of Infill Incentive Districts in targeted areas                                 | N/A             | N/A             | 100%              | N/A               |
| Propose ordinance for Infill Incentive Districts   | N/A             | N/A             | 100%              | Yes               |

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Construct USGS Science and Technology Park

**Objective:** Ongoing Project

| <b>Measures:</b>                         | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| USGS S&T Park under construction         | N/A                     | N/A                     | N/A                       | Yes                       |
| Incubator Building finished and occupied | N/A                     | N/A                     | N/A                       | Yes                       |

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Fully-leased Sawmill District

**Objective:** Assist on retail attraction

| <b>Measures:</b>                            | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Direct incoming retail queries to developer | N/A                     | N/A                     | Yes                       | Yes                       |

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Assist in establishing the Brownfields Land Recycling Program

**Objective:** Identify future redevelopment opportunities

| <b>Measures:</b>  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Work with Environmental Services to identify all potential Brownfield sites | N/A                     | N/A                     | Yes                       | N/A                       |

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 961,203                          | \$ 675,141                     | \$ 587,728                             | \$ 912,630                      | \$ 237,489                |
| CONTRACTUAL   | 58,201                              | 178,575                        | 77,121                                 | 195,450                         | 16,875                    |
| COMMODITIES   | 25,678                              | 51,800                         | 56,543                                 | 60,500                          | 8,700                     |
| CAPITAL   | -                                   | -                              | -                                      | 70,000                          | 70,000                    |
| <b>TOTAL</b>  | <b>\$ 1,045,082</b>                 | <b>\$ 905,516</b>              | <b>\$ 721,392</b>                      | <b>\$ 1,238,580</b>             | <b>\$ 333,064</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 263,892                          | \$ 566,073                     | \$ 298,037                             | \$ 432,752                      | \$ (133,321)              |
| DEVELOPMENT REVIEW  | 359,282                             | -                              | 9,336                                  | -                               | -                         |
| ADVANCED PLANNING   | 91,450                              | 92,685                         | 101,684                                | 157,602                         | 64,917                    |
| ZONING ADMINISTRATION   | 184,285                             | 81,794                         | 131,973                                | 149,136                         | 67,342                    |
| REDEVELOPMENT   | 95,417                              | -                              | 45,754                                 | 77,397                          | 77,397                    |
| HOUSING   | 49,917                              | 137,072                        | 48,436                                 | 333,664                         | 196,592                   |
| COMMISSIONS   | 839                                 | 1,600                          | 313                                    | 1,600                           | -                         |
| LAND TRUST PROGRAM  | -                                   | 26,292                         | 85,859                                 | 86,429                          | 60,137                    |
| <b>TOTAL</b>  | <b>\$ 1,045,082</b>                 | <b>\$ 905,516</b>              | <b>\$ 721,392</b>                      | <b>\$ 1,238,580</b>             | <b>\$ 333,064</b>         |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| GENERAL FUND  |                                     |                                |  | \$ 706,478                      |                           |
| LIBRARY FUND  |                                     |                                |  | 50,242                          |                           |
| HIGHWAY USER REVENUE FUND   |                                     |                                |  | 155,537                         |                           |
| WATER AND WASTEWATER FUND   |                                     |                                |  | 167,987                         |                           |
| STORMWATER FUND   |                                     |                                |  | 8,183                           |                           |
| AIRPORT FUND  |                                     |                                |  | 30,046                          |                           |
| ENVIRONMENTAL SERVICES FUND   |                                     |                                |  | 120,107                         |                           |
|   |                                     |                                |  | <b>\$ 1,238,580</b>             |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| <p>The Community Investment operating budget has increased 29% and capital expenditures total \$70,000 resulting in an overall net increase of 37%. Personal Services increases are due to 3 FTE staffing additions that include Code Supervisor, Planner, and Code Officer. In addition there is a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractuals increases are due to Advertising and Travel expenses. Commodities increases are due to Computer, Office Equipment, and Printing Expenses. Major capital (&gt;\$10,000) includes Honda Civic Hybrids for the new positions.</p> |                                     |                                |  |                                 |                           |

**MISSION**

The mission of the Housing Section of the Community Investment Division is to provide community/neighborhood-based planning and affordable housing opportunities for residents of Flagstaff, in particular, elements of Flagstaff's workforce and low to moderate income families, so they can continue to thrive in decent housing, a suitable living environment and enjoy economic opportunity.

**PROGRAM DESCRIPTION**

The City Housing Section of the Community Investment Division administers the Community Development Block Grant Entitlement Program; provides technical assistance to neighborhood organizations; designs and implements new affordable and workforce housing programs as funding allows, such as the Community Land Trust Program; provides information to the community and City Council as requested on affordable and workforce housing issues; and facilitates public participation in the creation of numerous community planning documents.

**FY 06 ACCOMPLISHMENTS****Planning and Administration – Division 31**

- ✓ Administered CDBG fund in a federally compliant manner including:
  - Completed 2006/2011 Consolidated Plan and received Council and HUD approval;
  - Completed 2006/2007 Annual Action Plan and received Council and HUD approval;
  - Completed Analysis of Impediments to Fair Housing and received Council approval and HUD review;
  - Completed 2006/2007 Request For Proposals process;
  - Completed CDBG Consolidated Annual Performance and Evaluation Report and received satisfactory performance evaluation from HUD;
  - Conducted on site sub-recipient monitoring;
  - Conducted Environmental Review procedures as required;
  - Met HUD spending requirements;
  - Provided loan servicing to prior Housing Program clients;
  - Participated in and completed CDBG Integrated Disbursement Information System (IDIS);

**Planning and Administration – Division 18**

- ✓ Attended the Institute for Community Economics Land Trust for Affordable Housing Conference and training;
- ✓ Utilized technical assistance from HUD to form Community Land Trust Program in the City of Flagstaff.
- ✓ Participated in community planning efforts, including:
  - Northern Arizona Homelessness Task Force / Rural Continuum of Care
  - Community-wide efforts to create a detox center.
- ✓ Draft of Sunnyside Neighborhood Revitalization Strategy approved by SNA Board of Directors.

**Affordable Housing Development and Neighborhood Conservation – Division 31**

- ✓ Provided funding and administrative oversight for the following programs to benefit the community:
  - Housing rehabilitation /Acquisition;
  - New housing construction for sale to low/moderate household;
  - Completed public improvements for sixteen (16) Land Trust Program homes;
  - Homebuyer education and assistance;
  - Housing stabilization assistance;
  - Job training assistance for residents of Sunnyside;
  - Rehabilitation of two structures in Sunnyside for use as an emergency homeless shelter and transitional housing units;
  - Operational assistance to Sharon Manor Transitional Housing Complex;
  - Youth crisis intervention and stabilization program;

**Affordable Housing Development and Neighborhood Conservation – Division 18**

- ✓ Created and implemented public educational campaign for workforce housing;
- ✓ Provided staff support to the Housing Policy Task Force;
- ✓ Provided public education for Proposition 404;
- ✓ Determined implementation strategy for neighborhood plans;
- ✓ Provided oversight of contract for fiscal impact fee study;
- ✓ Met with developers to incorporate workforce housing units into upcoming developments in the City of Flagstaff where appropriate;
- ✓ Created Community Land Trust Program for Affordable Housing;

- ✓ Worked with lenders to provide financing options for Land Trust Program Homes
- ✓ Developed post purchase support measures;
- ✓ Development Agreement for Rio Homes and Ponderosa Homes produced the following:
  - 20 homes sold to low/moderate income households.
  - Sandstone Highlands Senior Housing Project completed and occupied.
  - Construction started on Timber Trails Apartments (completion scheduled for November 30, 2006).

**FY 07 NEW INITIATIVES**

- Employer Assisted Housing Program.
- Targeted neighborhood planning.
- Analyze and implement strategies from the Housing Policy Task Force when appropriate.
- In-house home-buying counseling and assistance program

**PERFORMANCE MEASURES**

**Council Priority/Goal: AFFORDABLE HOUSING**

**Goal: Provide a variety of housing opportunities for citizens of Flagstaff -**

- Objective:**
1. Produce, or cause to be produced, housing for sale to identified target populations.
  2. Assist Flagstaff's workforce in reaching homeownership through a variety of programs.
  3. Preserve Flagstaff's current housing stock through housing rehabilitation of health and safety hazards.
  4. Provide progressive neighborhood/housing planning.

| <b>Measures:</b>   | <b>CY 04 Actual</b> | <b>CY 05 Actual</b> | <b>CY 06 Estimate</b> | <b>CY 07 Proposed</b> |
|--|---------------------|---------------------|-----------------------|-----------------------|
| Produce new affordable homes for Flagstaff's workforce through the Land Trust Program and public/private partnerships.             | N/A                 | N/A                 | 25 units              | 30 units              |
| Provide homeownership assistance to designated target populations.   | N/A                 | N/A                 | 15 owners             | 15 owners             |
| Address health and safety hazards in homes owned and occupied by low/moderate income persons.                                      | N/A                 | N/A                 | 6 homes               | 8 homes               |
| Implement an Employer Assisted Housing Program.  | N/A                 | N/A                 | Yes                   | Yes                   |
| Work with developers to incorporate workforce housing units into upcoming developments in the City of Flagstaff where appropriate. | N/A                 | Yes                 | Yes                   | Yes                   |
| Complete market analyses for potential community housing sites.  | N/A                 | N/A                 | Yes                   | Yes                   |
| Maintain compliance with Federal funding sources.  | Yes                 | Yes                 | Yes                   | Yes                   |
| Complete and enter into development agreements for workforce and/or community housing.   | Yes                 | Yes                 | Yes                   | Yes                   |

**Council Priority/Goal: AFFORDABLE HOUSING**

**Goal:** Address the economic and social needs of Flagstaff's population through targeted programming and planning.

**Objective:** Participate in community planning efforts and provide programs where appropriate.

| <b>Measures:</b>  | <b>CY 04 Actual</b> | <b>CY 05 Actual</b> | <b>CY 06 Estimate</b> | <b>CY 07 Proposed</b> |
|---|---------------------|---------------------|-----------------------|-----------------------|
| Participate in community planning efforts (Contium of Care; Detox center planning; Annual Action Plan; etc)           | Yes                 | Yes                 | Yes                   | Yes                   |
| Partner to provide targeted programs to assist with economic and social needs where not addressed by other resources. | Yes                 | Yes                 | Yes                   | Yes                   |

**COMMUNITY DEVELOPMENT**

**DIVISION 31**

**HOUSING AND COMMUNITY SERVICES**

| <b>EXPENDITURES BY CATEGORY:</b>   |                                     |                                |  |                                 |                           |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES  | \$ 51,567                           | \$ 96,476                      | \$ 78,370                              | \$ 212,232                      | \$ 115,756                |
| CONTRACTUAL  | 924,745                             | 4,705,249                      | 1,441,341                              | 4,131,829                       | (573,420)                 |
| COMMODITIES  | 2,897                               | 4,900                          | 4,900                                  | 18,900                          | 14,000                    |
| CAPITAL  | 6,925                               | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>   | <b>\$ 986,134</b>                   | <b>\$ 4,806,625</b>            | <b>\$ 1,524,611</b>                    | <b>\$ 4,362,961</b>             | <b>\$ (443,664)</b>       |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| REVOLVING LOAN GEN FUND  | \$ 223,851                          | \$ 450,000                     | \$ 450,000                             | \$ 450,000                      | \$ -                      |
| CDBG ENTITLEMENT ADMIN   | 63,082                              | 198,403                        | 198,353                                | 196,920                         | (1,483)                   |
| LAND ACQUISITION-GF  | 298                                 | 1,748,577                      | 80,000                                 | 1,843,679                       | 95,102                    |
| AZ HOUSING TRUST FUNDS   | -                                   | 308,890                        | -                                      | 200,000                         | (108,890)                 |
| HOME GRANT   | -                                   | 419,990                        | -                                      | 200,000                         | (219,990)                 |
| AFFORDABLE HOUSING DEVELP  | -                                   | 200,000                        | -                                      | 203,000                         | 3,000                     |
| CDBG-REHAB OF ACQ HOMES  | 58,389                              | 100,000                        | -                                      | 207,000                         | 107,000                   |
| CDBG-NEIGH REV/HSG CONSTR  | 61,403                              | 188,726                        | 39,867                                 | 142,232                         | (46,494)                  |
| CDBG-PUBLIC IMPROVEMENTS   | -                                   | 382,981                        | 182,981                                | 260,858                         | (122,123)                 |
| CDBG HOUSING REHAB   | 277,782                             | 207,000                        | 132,776                                | 127,918                         | (79,082)                  |
| CDBG MISC PROJECTS   | 121,277                             | 258,558                        | 195,962                                | 164,863                         | (93,695)                  |
| CDBG HOME BUYERS ASSIST  | 129,811                             | 200,000                        | 187,000                                | 182,832                         | (17,168)                  |
| CDBG ECONOMIC DEVELOPMENT  | 50,241                              | 93,500                         | 25,778                                 | -                               | (93,500)                  |
| LAND TRUST DEVELOPMENT   | -                                   | 50,000                         | 31,894                                 | 18,106                          | (31,894)                  |
| CDBG CODE ENFORCE  | -                                   | -                              | -                                      | 135,553                         | 135,553                   |
| CDBE IDA MATCHING  | -                                   | -                              | -                                      | 30,000                          | 30,000                    |
| <b>TOTAL</b>   | <b>\$ 986,134</b>                   | <b>\$ 4,806,625</b>            | <b>\$ 1,524,611</b>                    | <b>\$ 4,362,961</b>             | <b>\$ (443,664)</b>       |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
| COMMUNITY REDEVELOPMENT FUND   |                                     |                                |  | \$ 4,362,961                    |                           |
|  |                                     |                                |  | <b>\$ 4,362,961</b>             |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| The Housing and Community Services operating budget has decreased 9% and there are no capital expenditures. Personal Services increases due to a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractuals decrease is due to decreases in Other Miscellaneous Services expense. Commodities increases are due to Computer and Equipment expenses. There is no major capital (>\$10,000) for this division. |                                     |                                |  |                                 |                           |

**MISSION**

The Community Development Department is a client-focused team that enables quality development, reinvestment, and conservation of the natural and built environment through publicly adopted policies.

**PROGRAM DESCRIPTION**

Art & Science - The City contracts with Flagstaff Cultural Partners, Inc., a community based non-profit organization, for the administration and delivery of grant funds for the development, co-ordination, and support of arts, culture, and science programs. Grants include organizations delivering art, dance, heritage resources, literature, music, theater, and other programs to the community. Staff provides for administration of the contract including quarterly payments and annual review.

**Public Art**

Outdoor Program - This program provides for recommendations to the City Council for the selection, placement, and installation of art pieces in community settings. Funding, when approved by the City Council, comes from allocations within Capital Improvement project budgets.

Indoor Program - This program provides for the selection, placement, and installation of art pieces in public buildings including City Hall, Pulliam Airport, and

the Visitors Center. Art pieces are loaned by artists at no cost and nominal installation costs are funded by the General Fund.

Outdoor and indoor public art programs are overseen by the Flagstaff Public Art Advisory Committee. A Staff Liaison is provided including various additional duties associated with Committee programs and projects including urban design for outdoor installations.

Staff time for Division 71 is provided by Division 73, with administrative assistance from Division 18.

**FY 06 ACCOMPLISHMENTS**

- ✓ Installation of "Motion" at Pulliam Airport.
- ✓ Installation of "Unification" at Foxglenn Park.
- ✓ Intergovernmental Agreement (IGA) with Coconino Community College for the installation of "Untitled".
- ✓ Airport mobile repaired and re-installed.
- ✓ Annual Indoor Art Program.

**FY 07 NEW INITIATIVES**

- See Goals and Objectives

**PERFORMANCE MEASURES**

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** To provide support for a variety of art, culture, and science programs.

**Objective:** Deliver grant funds to organizations that deliver such programs to the community.

| Measures:  | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Contract with Flagstaff Cultural Partners, Inc. to provide continuing services and grant delivery. | Unk.         | Yes          | Yes            | Yes            |

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** To enhance the character of the natural and built environment by inclusion of public art.

**Objective:** Provide outdoor art in community settings.

| Measures:   | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|---|--------------|--------------|----------------|----------------|
| Installation of significant art piece associated with the restoration of the El Pueblo Motor Court.   | N/A          | N/A          | N/A            | Yes            |
| Planning and/or installation of additional pieces per the direction of the Beautification Commission. | Unk.         | Yes          | Yes            | Yes            |

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** To enhance the character of public facilities by inclusion of public art.

**Objective:** Provide indoor art at public facilities.

| <b>Measures:</b>  | <b>CY 04 Actual</b> | <b>CY 05 Actual</b> | <b>CY 06 Estimate</b> | <b>CY 07 Proposed</b> |
|---|---------------------|---------------------|-----------------------|-----------------------|
| Provide annual indoor art program for installations at City Hall, Pulliam Airport, and the Visitors Center. | Yes                 | Yes                 | Yes                   | Yes                   |

| <b>EXPENDITURES BY CATEGORY:</b> |                               |                          |                                  |                           |                        |
|----------------------------------|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
|                                  | Actual Expenditures 2004-2005 | Adopted Budget 2005-2006 | Estimated Expenditures 2005-2006 | Proposed Budget 2006-2007 | Budget-Budget Variance |
| PERSONAL SERVICES                | \$ 760                        | \$ 2,591                 | \$ -                             | \$ 15,219                 | \$ 12,628              |
| CONTRACTUAL                      | 325,003                       | 400,050                  | 341,050                          | 605,718                   | 205,668                |
| COMMODITIES                      | 35                            | 750                      | 450                              | 550                       | (200)                  |
| CAPITAL                          | -                             | -                        | -                                | -                         | -                      |
| <b>TOTAL</b>                     | <b>\$ 325,798</b>             | <b>\$ 403,391</b>        | <b>\$ 341,500</b>                | <b>\$ 621,487</b>         | <b>\$ 218,096</b>      |
| <b>EXPENDITURES BY PROGRAM:</b>  |                               |                          |                                  |                           |                        |
| GENERAL ADMINISTRATION           | \$ 38                         | \$ 2,448                 | \$ 900                           | \$ 9,531                  | \$ 7,083               |
| CONTRACTUAL SERVICES             | 280,000                       | 280,000                  | 280,000                          | 285,000                   | 5,000                  |
| PUBLIC ARTWORK                   | 760                           | 75,943                   | 15,600                           | 280,831                   | 204,888                |
| FCP ADMINISTRATION               | 45,000                        | 45,000                   | 45,000                           | 46,125                    | 1,125                  |
| <b>TOTAL</b>                     | <b>\$ 325,798</b>             | <b>\$ 403,391</b>        | <b>\$ 341,500</b>                | <b>\$ 621,487</b>         | <b>\$ 218,096</b>      |
| <b>SOURCE OF FUNDING:</b>        |                               |                          |                                  |                           |                        |
| ARTS AND SCIENCE FUND            |                               |                          |                                  | \$ 621,487                |                        |
|                                  |                               |                          |                                  | <b>\$ 621,487</b>         |                        |

**COMMENTARY:**  
 The Arts & Science operating budget has increased 54% and there are no capital expenditures. Personal Services increases are due to the internal charge outs of the Urban Designer. In addition there is a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractual increase is due to fund balance made available for the public art work program. There is no major capital (>\$10,000) for this division.

**MISSION**

The Community Development Department is a client-focused team that enables quality development, reinvestment, and conservation of the natural and built environment through publicly adopted policies.

**PROGRAM DESCRIPTION**

The Beautification General Administration Division/Urban Design Section of Community Investment performs a variety of functions related to the quality of natural and built environment of the City of Flagstaff. These functions include urban design, and oversight of BBB Tax funds allocated for beautification projects and Flagstaff Urban Trail System projects.

For beautification and FUTS projects, responsibilities include financial and physical planning, inter-agency coordination, design guidelines, design services, project delivery, and ongoing maintenance. Much is performed by contract with other agencies including the Flagstaff Metropolitan Planning Organization, and outside consultants.

Urban design services range in scale from details to whole neighborhoods. Include beautification and FUTS projects, and some capital projects as needed for demonstrative purposes for both public and private development. Urban designs also serve as a component of, and implementation of, various district planning efforts.

Staff liaison for both the Historic Preservation Commission and the Open Spaces Commission is provided out of this Division, including various additional duties for Commission programs and projects. Historic Preservation Commission Staff responsibilities also include minor sign reviews and Section 106 reviews for all Federal and State projects.

Division 73 Staff participates in the Development Review Board, with responsibility for review of public and private projects in terms of beautification efforts, Commission efforts, other planning efforts such as districts and transportation systems, and consistency

with environmental (natural and built) aspects of the Land Development Code.

Finally, the general administration of Division 71 is provided by Division 73. Details of these responsibilities can be seen under "Program Description" for that division.

**FY 06 ACCOMPLISHMENTS**

- ✓ Construction of a City Gateway Sign on US 89 at the City limit.
- ✓ Significant contribution to, and implementation of, new design guidelines for landscaping of rights-of-way.
- ✓ Development of alternative design for Rio de Flag Flood Control Project.
- ✓ Designs of alternative development for two workforce housing projects (approximately 150 units).
- ✓ Design of alternative development to preserve a significant historic property.
- ✓ Preparation of designs in support of business attraction, development, and retention efforts.
- ✓ Conceptual design of comprehensive Heritage Preservation Program.
- ✓ Conflict resolution, empowerment, and renewed focus of the Open Spaces Commission.
- ✓ Agendas and Minutes for Community Development Department.
- ✓ Regular participation in Development Review Board Processes.

**FY 07 NEW INITIATIVES**

- Continue FY 06 programs and accomplishments (all relatively new).

**PERFORMANCE MEASURES**

**Council Priority/Goal: ECONOMIC DEVELOPMENT**

**Goal:** Support business attraction, development, and retention efforts of Community Investment Division.

**Objective:** Produce demonstrative designs in a timely manner.

**Measures:**

|  | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Received/used by Community Investment staff as needed. | N/A          | N/A          | Yes            | Yes            |

| <b>EXPENDITURES BY CATEGORY:</b> |                                     |                                |  |                                 |                           |
|----------------------------------|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|                                  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES                | \$ 21,499                           | \$ 65,771                      | \$ 76,526                              | \$ 87,275                       | \$ 21,504                 |
| CONTRACTUAL                      | 10,490                              | 11,400                         | 11,400                                 | 12,025                          | 625                       |
| COMMODITIES                      | 4,713                               | 2,400                          | 2,100                                  | 4,250                           | 1,850                     |
| CAPITAL                          | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>                     | <b>\$ 36,702</b>                    | <b>\$ 79,571</b>               | <b>\$ 90,026</b>                       | <b>\$ 103,550</b>               | <b>\$ 23,979</b>          |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION           | \$ 36,702                           | \$ 77,371                      | \$ 88,026                              | \$ 101,350                      | \$ 23,979                 |
| COMMISSION                       | -                                   | 2,200                          | 2,000                                  | 2,200                           | -                         |
| <b>TOTAL</b>                     | <b>\$ 36,702</b>                    | <b>\$ 79,571</b>               | <b>\$ 90,026</b>                       | <b>\$ 103,550</b>               | <b>\$ 23,979</b>          |
| <b>SOURCE OF FUNDING:</b>        |                                     |                                |  |                                 |                           |
| BEAUTIFICATION FUND              |                                     |                                |  | \$ 103,550                      |                           |
|                                  |                                     |                                |  | <b>\$ 103,550</b>               |                           |

**COMMENTARY:**

The Beautification operating budget has increased 30% and there are no capital expenditures. Personal Services increases are due to a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Commodities increases are due to the request of specialized software and increases in memberships and non-library books. There is no major capital (\$10,000) for this division.

**MISSION**

The mission of the Stormwater Division is to promote the public health, safety and general welfare, to minimize public and private losses due to flood conditions within the City of Flagstaff, and to comply with the applicable floodplain and stormwater regulations.

**PROGRAM DESCRIPTION**

The Stormwater Department includes: administration, utility management, engineering/hydrology technical support, master planning, customer service, data collection, field inspection, and plan review components.

**FY 06 ACCOMPLISHMENTS**

- ✓ Completed the Utility Fee Credit Manual as adopted by Council
- ✓ Completed Utility Rate Increase
- ✓ Developed procedures for various elements of the stormwater Work Program
- ✓ Initiated Stormwater Master Plan Phase 1; Hydrology

**FY 07 NEW INITIATIVES**

- Develop stormwater quality measures for consideration by Council
- Complete Phase 1 Master Plan and begin Phase 2; Floodplain Mapping
- Install 2 new gaging stations

**PERFORMANCE MEASURES**

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Respond in a timely manner to requests or needs of citizens, Council, Manager, and City departments and divisions.

**Objective:** Timely responses to requests for information and assistance

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Respond to Floodplain Status citizen requests within 48 hours | 100%            | 100%            | 100%              | 100%              |
| Respond to Grading Inspection requests within 48 hours        | 80%             | 85%             | 85%               | 100%              |
| Resond to misc. other requests within 48 hours                | 100%            | 100%            | 100%              | 100%              |

**Council Priority/Goal: PUBLIC SAFTEY**

**Goal:** Ensure that the construction of projects meets the minimum standard required by the City.

**Objective:** Review all drainage plans for consistency with the Stormwater Design Manual

| Measures:                                     | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| All review comments are per the Design Manual | 100%            | 100%            | 100%              | 100%              |

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Maintain and/or improve Community Rating System (CRS) standing

**Objective:** Monitor and maintain eligible CRS activites

| Measures:                       | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---------------------------------|-----------------|-----------------|-------------------|-------------------|
| Maintain or improve CRS ranking | yes             | yes             | yes               | yes               |

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Meet Development Services adopted time frames for civil reviews

**Objective:** Perform drainage reviews on time

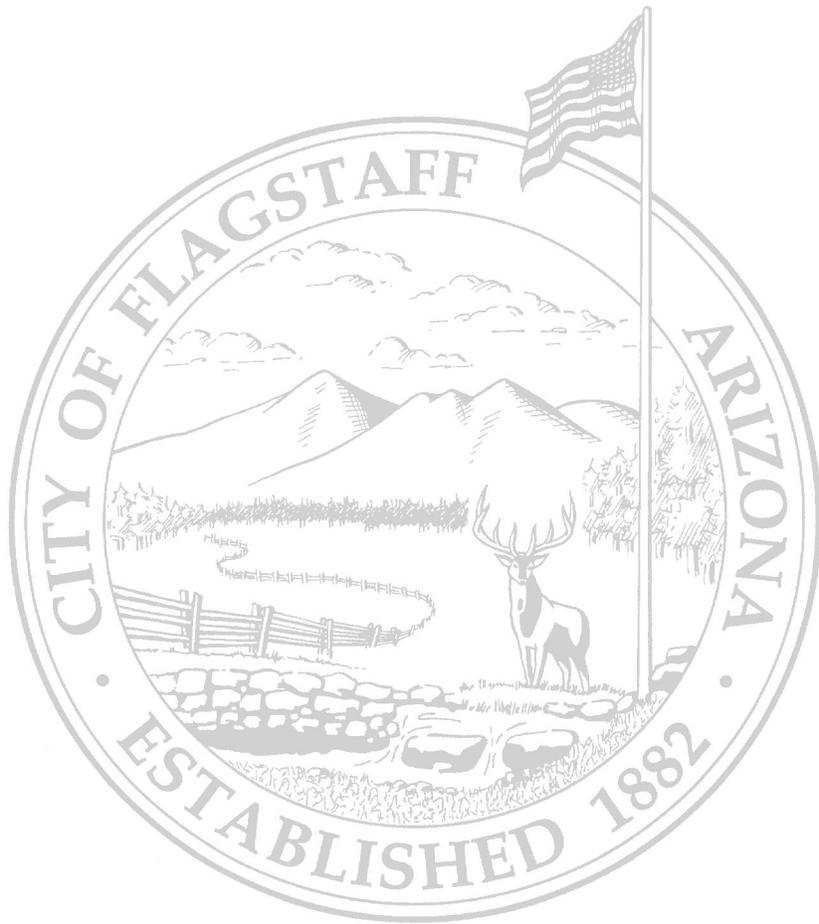
| Measures:       | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|-----------------|--------------|--------------|----------------|----------------|
| On time reviews | 60%          | 80%          | 90%            | 95%            |

| EXPENDITURES BY CATEGORY: |                               |                          |                                  |                           |                        |
|---------------------------|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
|                           | Actual Expenditures 2004-2005 | Adopted Budget 2005-2006 | Estimated Expenditures 2005-2006 | Proposed Budget 2006-2007 | Budget-Budget Variance |
| PERSONAL SERVICES         | \$ 355,990                    | \$ 420,978               | \$ 418,020                       | \$ 457,135                | \$ 36,157              |
| CONTRACTUAL               | 40,999                        | 489,998                  | 36,643                           | 507,722                   | 17,724                 |
| COMMODITIES               | 17,377                        | 15,753                   | 58,339                           | 27,153                    | 11,400                 |
| CAPITAL                   | -                             | 30,000                   | 19,090                           | -                         | (30,000)               |
| <b>TOTAL</b>              | <b>\$ 414,366</b>             | <b>\$ 956,729</b>        | <b>\$ 532,092</b>                | <b>\$ 992,010</b>         | <b>\$ 35,281</b>       |

| EXPENDITURES BY PROGRAM: |                               |                          |                                  |                           |                        |
|--------------------------|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
|                          | Actual Expenditures 2004-2005 | Adopted Budget 2005-2006 | Estimated Expenditures 2005-2006 | Proposed Budget 2006-2007 | Budget-Budget Variance |
| GENERAL ADMINISTRATION   | \$ 205,303                    | \$ 277,271               | \$ 203,866                       | \$ 343,945                | \$ 66,674              |
| ENG. & MASTER PLANNING   | 10,102                        | 341,559                  | 5,106                            | 336,477                   | (5,082)                |
| OPERATIONS               | 198,961                       | 307,344                  | 292,457                          | 311,588                   | 4,244                  |
| REGULATION/ENFORCEMENT   | -                             | 30,555                   | 30,663                           | -                         | (30,555)               |
| <b>TOTAL</b>             | <b>\$ 414,366</b>             | <b>\$ 956,729</b>        | <b>\$ 532,092</b>                | <b>\$ 992,010</b>         | <b>\$ 35,281</b>       |

| SOURCE OF FUNDING:      |                               |                          |                                  |                           |                        |
|-------------------------|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
|                         | Actual Expenditures 2004-2005 | Adopted Budget 2005-2006 | Estimated Expenditures 2005-2006 | Proposed Budget 2006-2007 | Budget-Budget Variance |
| STORMWATER UTILITY FUND |                               |                          |                                  | \$ 992,010                |                        |
|                         |                               |                          |                                  | <b>\$ 992,010</b>         |                        |

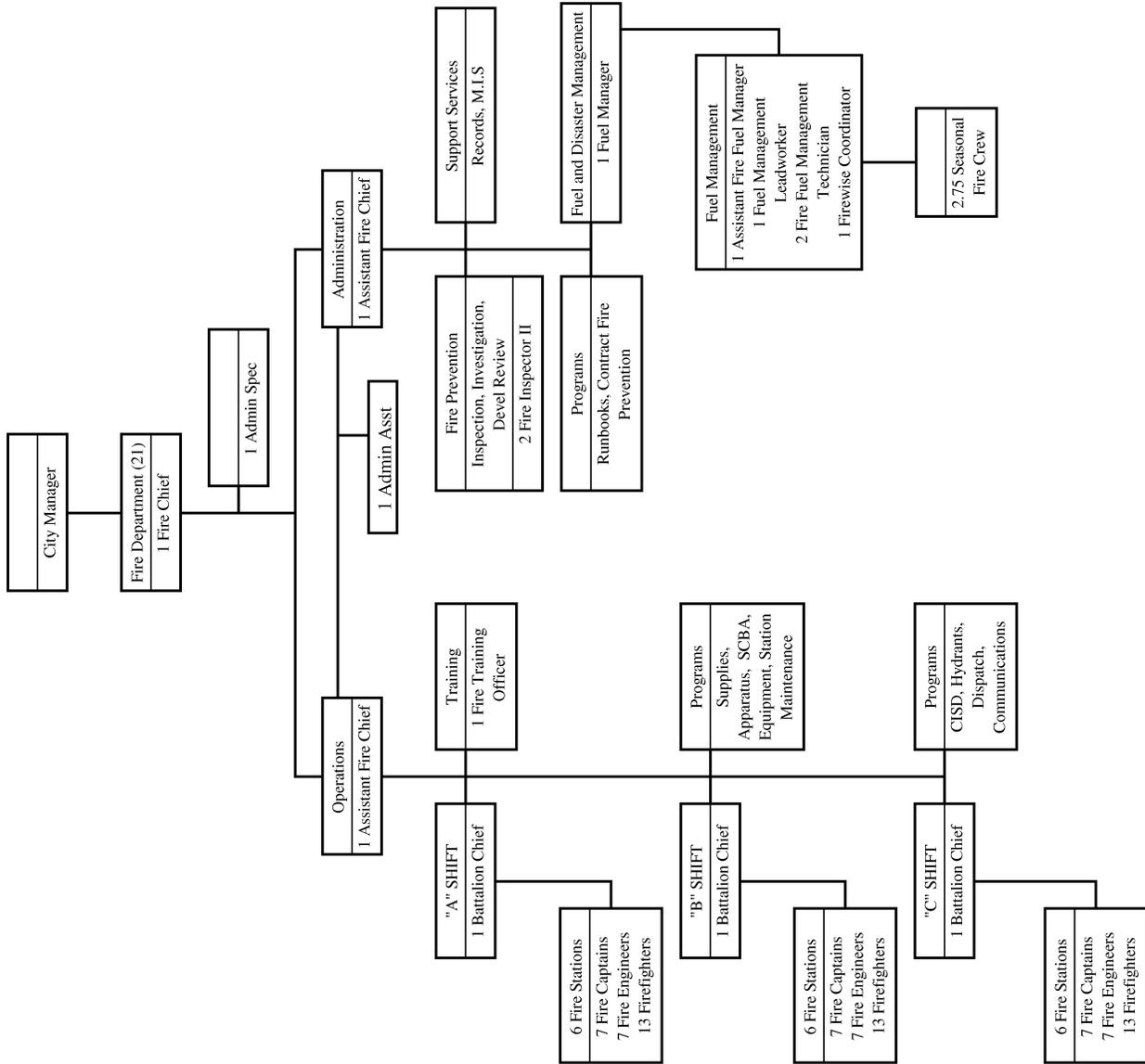
**COMMENTARY:**  
 The Stormwater Utility operating budget has increased 7% and there are no capital expenditures resulting in an overall net increase of 4%. Capital for Drainage and Stormwater Capital are captured in Divisions 34 and 99. Personal Services increase is due to a 9% pay plan adjustment and increases in ASRS, health insurance, and dental insurance. Contractuals increase is due to maintenance of equipment, education/training and advertising. Commodities increase is due to computer software and equipment. One-time expenditures for Contractuals include consulting services for Fanning (\$50,000), maintenance of equipment (\$14,260), and additional education. One-times for Commodities include software programs, software license renew (\$12,565) and field notebook computer (\$3,000). There is no major capital (>\$10,000) for this division.



## ***FIRE DEPARTMENT MISSION***

The mission of the **Flagstaff Fire Department** is to responsibly protect values at risk in our community. We do this by protecting life, property, and community resources through preparation, prevention, response and mitigation.

# Fire



**MISSION**

The mission of the Flagstaff Fire Department is to responsibly protect values at risk in our community. We do this by protecting life, property, and community resources through preparation, prevention, response, and mitigation.

**PROGRAM DESCRIPTION**

The Fire Department is responsible for protecting life, property, and resources through the delivery of public safety services. Prevention, preparedness, mitigation, and response represent the core of the program efforts. The organized divisions include Administration, Prevention, Training, Operations, and Fuel Management.

**FY 06 ACCOMPLISHMENTS**

**Administration**

- ✓ Awarded contract to construct new fire station #1
- ✓ Acquired property for new fire station #5
- ✓ Implemented contract to provide fire and medical services to Flagstaff Ranch Fire District.

**Operations**

- ✓ Received Homeland Security Grants in the amount of \$215,000 for the purchase of Special Operations Equipment and Self Contained Breathing Packs.
- ✓ Awarded a Homeland Security Grant in the amount of \$940,000 to deploy a Heavy Rescue Truck.
- ✓ Trained five new recruit firefighters and assigned them to the operations division.

**Fire Prevention**

- ✓ Completed over 2000 commercial fire inspections
- ✓ Provided fire safety presentation to 12 public elementary schools.

**Fuel Management**

- ✓ Hired a new Community FireWise Coordinator
- ✓ Completed Fuel Management projects, which provided for the thinning of 636 acres and prescribed burning of 886 acres.
- ✓ Completed 574 Home Assessments

**Disaster Management**

- ✓ Completed three multi-agency drills
- ✓ Adopted City/County Multi-Hazard Mitigation Plan
- ✓ Assisted in the development of the City/County Emergency Operation Plan
- ✓ Conducted EOC Training and Mock Exercises

**FY 07 NEW INITIATIVES**

- Incrementally increase staffing levels to comply with NFPA 1710
- Purchase, equip, and deploy a Type 1 Engine, an 85' aerial platform, and a grant funded Heavy Rescue Truck
- Increase Special Operation assignments to support the program
- Train and certify additional personnel in Advanced Life Support, and as Hazardous Material and Technical Rescue Technicians.
- Develop redundancy within our communications system
- Develop community evacuation plan
- Fully activate and test the Emergency Operations Center
- Establish reliable response time data in our recording system

**PERFORMANCE MEASURES**

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** To provide public safety services and programs directed toward customer care and community protection, with an emphasis on customer service.

- Objective:**
1. To correct 100% of fire code violations found during annual commercial inspections.
  2. To review plan checks within 10 working days after receipt 100% of the time.

| Measures:   | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|---|--------------|--------------|----------------|----------------|
| Fire code violations corrected                      | 95%          | 89%          | 95%            | 95%            |
| Plan reviews completed within 10 days after receipt | 100%         | 100%         | 96%            | 98%            |

|             |                    |             |
|-------------|--------------------|-------------|
| <b>FIRE</b> | <b>DIVISION 21</b> | <b>FIRE</b> |
|-------------|--------------------|-------------|

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** To provide basic and advanced life support pre-hospital care for emergency medical patients in conjunction with our community partners.

**Objective:** To track the percent of days ALS personnel operate in each district.

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|------------|-----------------|-----------------|-------------------|-------------------|
| Station #1 | N/A             | 98%             | 98%               | 98%               |
| Station #2 | N/A             | 97%             | 97%               | 97%               |
| Station #3 | N/A             | 93%             | 94%               | 94%               |
| Station #4 | N/A             | 93%             | 93%               | 93%               |
| Station #5 | N/A             | 93%             | 94%               | 94%               |
| Station #6 | N/A             | 91%             | 92%               | 92%               |

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** To prepare, operate, and respond to emergencies, which meets community expectations and complies with National Fire Protection Agency and OSHA standards.

**Objective:**

OBJ #1: To complete 240 hours of training annually for each firefighter.

OBJ #2: To have the first due company travel to fire and ems incidents within 4 minutes, 90% of the time.

OBJ #3: To have the balance of first alarm fire assignments travel to the scene within 8 minutes, 90% of the time.

OBJ #4: To have emergency events dispatched within 1 minute of receipt of alarm, 90% of the time.

OBJ #5: Companies to initiate response within 1 minute of receipt of a call, 90% of the time.

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Complete 240 hours of annual training per firefighter                              | 258 hours       | 264 hours       | 264 hours         | 240 hours         |
| First due company to the scene of fire and EMS within 4 minutes, 90% of the time   | N/A             | N/A             | 4 minutes         | 4 minutes         |
| Balance of first alarm assignments on the scene within 8 minutes, 90% of the time. | N/A             | N/A             | 8 minutes         | 8 minutes         |
| Emergency events dispatched within 1 minute of receipt of call, 90% of the time.   |                 |                 | 1 minute          | 1 minute          |
| Companies to respond within 1 minute of receipt of call, 90% of the time.          |                 |                 | 1 minute          | 1 minute          |

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** To provide the necessary leadership and management to accomplish the organizations's mission, goals, and objectives in an effective manner.

**Objective:** To manage the department budget within approved funding levels 100% of the time.

| Measures:                                    | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Manage budget within approved funding levels | 97.5%           | 98.8%           | 100%              | 98%               |

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** To provide a Disaster Management Program designed to prepare and protect the community from both man made and natural disasters

**Objective:** 1. Plan, conduct, and evaluate 1 wildfire field exercise.

2. Plan, conduct, and evaluate 1 WMD drill.

3. Plan, conduct, and evaluate 1 multi-agency drill.

| Measures:          | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--------------------|-----------------|-----------------|-------------------|-------------------|
| Wildfire exercise  | 2 completed     | 2 completed     | 1 completed       | 1 exercise        |
| WMD drill          | 2 completed     | 1 completed     | 1 completed       | 1 drill           |
| Multi-agency drill | 1 completed     | 2 completed     | 1 completed       | 1 drill           |

|             |                    |             |
|-------------|--------------------|-------------|
| <b>FIRE</b> | <b>DIVISION 21</b> | <b>FIRE</b> |
|-------------|--------------------|-------------|

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** To provide the necessary Fuel Management to minimize the risk of a catastrophic wildfire and promote forest health in our community.

- Objective:**
1. Review, and complete plans totaling 700 acres per year
  2. Complete 700 acres of thinning per year
  3. Complete 750 acres of prescribed burning per year

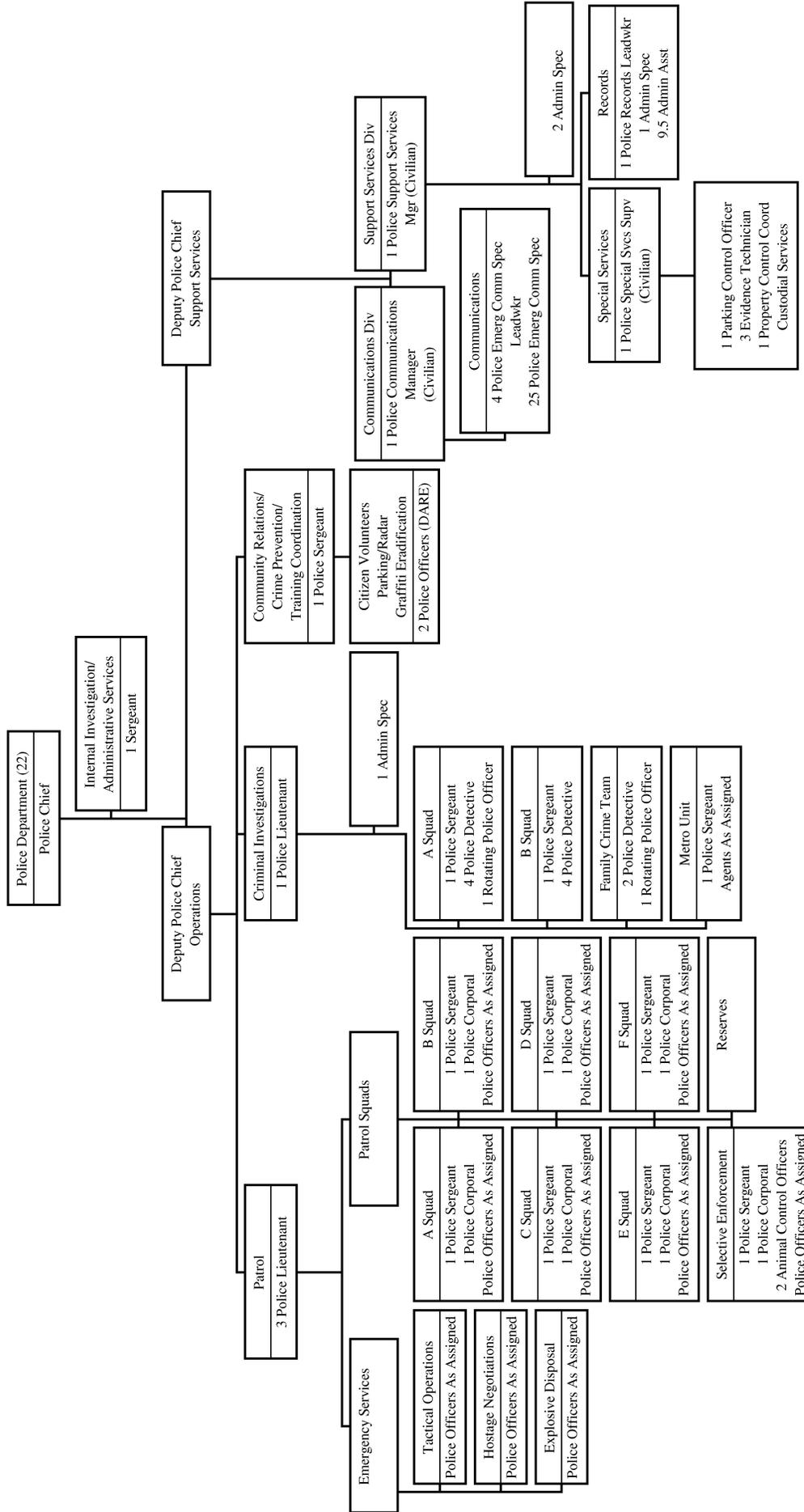
| <b>Measures:</b> | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Plans completed  | 1472 acres              | 834 acres               | 1006 acres                | 0 acres                   |
| Acres Thinned    | 680 acres               | 606 acres               | 636 acres                 | 700 acres                 |
| Acres burned     | 1016 acres              | 823 acres <sup>3</sup>  | 869 acres                 | 750 acres                 |

| <b>EXPENDITURES BY CATEGORY:</b>   |                                     |                                |  |                                 |                           |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES  | \$ 6,596,968                        | \$ 7,179,407                   | \$ 7,148,256                           | \$ 7,915,814                    | \$ 736,407                |
| CONTRACTUAL  | 278,548                             | 271,544                        | 269,866                                | 354,645                         | 83,101                    |
| COMMODITIES  | 376,549                             | 390,430                        | 452,542                                | 487,465                         | 97,035                    |
| CAPITAL  | 99,871                              | 814,170                        | 559,031                                | 1,465,668                       | 651,498                   |
| <b>TOTAL</b>   | <b>\$ 7,351,936</b>                 | <b>\$ 8,655,551</b>            | <b>\$ 8,429,695</b>                    | <b>\$ 10,223,592</b>            | <b>\$ 1,568,041</b>       |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION   | \$ 495,392                          | \$ 1,170,447                   | \$ 1,103,873                           | \$ 1,000,560                    | \$ (169,887)              |
| FIRE PREVENTION  | 231,411                             | 285,775                        | 281,695                                | 271,304                         | (14,471)                  |
| TRAINING   | 101,513                             | 114,451                        | 110,929                                | 111,249                         | (3,202)                   |
| FIRE OPERATIONS  | 6,170,535                           | 6,570,305                      | 6,285,859                              | 6,836,769                       | 266,464                   |
| NAU FIRE GRANT II  | 225                                 | 65,502                         | -                                      | -                               | (65,502)                  |
| STATE FIRE ASSISTANT   | -                                   | -                              | -                                      | 33,840                          | 33,840                    |
| FUEL MANAGEMENT PROGRAM  | 141,415                             | 244,643                        | 215,358                                | 591,326                         | 346,683                   |
| FOREST HEALTH RESTORATION  | 87,488                              | 51,626                         | 46,600                                 | -                               | (51,626)                  |
| STATE FIRE ASST-I  | 4,942                               | -                              | -                                      | -                               | -                         |
| HAZARD FUEL RED. F/Y 2004  | 7,468                               | -                              | -                                      | -                               | -                         |
| HAZARD REDUCTION F/Y 2004  | 96,863                              | 96,782                         | 93,450                                 | 149,386                         | 52,604                    |
| FIREWISE EDUCATION F/Y 03  | 2,650                               | -                              | 500                                    | -                               | -                         |
| FIRE IMPROVE PREVENTION  | 150                                 | 10,000                         | 15,000                                 | -                               | (10,000)                  |
| HMOOWNER & COMM. ACTION 04   | -                                   | 2,500                          | -                                      | 50,000                          | 47,500                    |
| HAZARD FUEL REDUCTION  | -                                   | -                              | -                                      | 201,500                         | 201,500                   |
| FIRE EXTRACTION EQUIPMENT  | 5,100                               | -                              | -                                      | -                               | -                         |
| WILDFIRE THREAT RATING   | 6,784                               | -                              | -                                      | -                               | -                         |
| HOMELAND SECURITY GRANT  | -                                   | 43,520                         | 41,858                                 | -                               | (43,520)                  |
| HLS-PORTABLE RADIOS  | -                                   | -                              | 27,021                                 | -                               | -                         |
| 2005 ASSIST.TO FIREFIGHTERS  | -                                   | -                              | 45,550                                 | -                               | -                         |
| HLS-RESPIRATORY PROTECTION   | -                                   | -                              | 162,002                                | -                               | -                         |
| HLS 05-HEAVY RESCUE  | -                                   | -                              | -                                      | 936,718                         | 936,718                   |
| 05 DHS FIRE PREV&  | -                                   | -                              | -                                      | 35,640                          | 35,640                    |
| FY06 GOHS RESCUE   | -                                   | -                              | -                                      | 5,300                           | 5,300                     |
| 06 CERT.ARBORIST   | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>   | <b>\$ 7,351,936</b>                 | <b>\$ 8,655,551</b>            | <b>\$ 8,429,695</b>                    | <b>\$ 10,223,592</b>            | <b>\$ 1,568,041</b>       |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
| GENERAL FUND   |                                     |                                |  | \$ 10,223,592                   |                           |
|  |                                     |                                |  | <b>\$ 10,223,592</b>            |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| <p>The Fire Department operating budget has increased 12% and capital expenditures total \$651,498 resulting in an overall net increase of 18%. Personal Services increases are due to the addition of 3.0 firefighters, a 9% pay plan adjustment and increases in retirement, health insurance and dental insurance. Contractuals increases are due to medical fees, subscriptions, physicals and drug testing, counseling, maintenance contracts, education and training. Commodities increases are due to fuel, equipment, motor and machine parts, safety supplies, food, office and computer supplies. One-time expenditures for this division is for a mobile station and portable radio replacements, to fund retirement vacancy hiring, training, various operating supplies and rescue equipment. Major capital (&gt;10,000) included rescue tool for new Quint (\$25,000), Type 1 engine (carry forward) (\$404,500), (2) vehicles (\$53,150), communication equipment (\$14,500), computer hardware (\$14,000), (1) all terrain quad (\$13,500) and grant funded heavy rescue unit (\$936,718).</p> |                                     |                                |  |                                 |                           |

## ***POLICE DEPARTMENT MISSION***

The mission of the **Flagstaff Police Department** is to protect and preserve life, property, public order, and the rights of the individual by providing exemplary service through the establishment of a partnership of shared responsibility, support, and trust with law abiding members of the community.

# Police



Total Number Police Officers = 71  
 Total Commissioned Personnel = 108  
 Total Civilian Personnel = 56  
 Total Department Personnel = 164

## MISSION

The mission of the Flagstaff Police Department is to protect and preserve life, property, public order, and the rights of the individual by providing exemplary service through the establishment of a partnership of shared responsibility, support, and trust with law abiding members of the community.

## PROGRAM DESCRIPTION

The Police Department is responsible for protecting life and property, preserving the peace, and protecting the rights of individuals. These are accomplished through crime prevention, Community Block Watch Programs, repression of crime, and the apprehension of criminal offenders. The Metro Task Force is funded by a state grant for a multi-agency investigative unit. This grant funds one supervisor and one secretarial position. This is one of many State and Federal grants the Flagstaff Police Department has received.

## FY 06 ACCOMPLISHMENTS

- ✓ The P.R.I.D.E. Block Watch program conducted 138 meetings during the year, with over 48 neighborhoods and business organizations participating. Numerous neighborhood clean-up projects, educational programs, youth activities and other projects dealing with quality of life issues were conducted. Citizen patrols have been developed and utilized in several of the neighborhoods. Additional programs such as the Crime Free Multi Housing Program have remained very active with landlords and property managers.
- ✓ The majority of productivity goals for the Operations Section were achieved. Over 1000 DUI and 8,709 criminal arrests were made. In addition, just under 25,000 traffic citations and warnings were issued, while handling over 58,000 calls for service. The community also experienced a slight 2% drop in serious part 1 crimes.
- ✓ Two Citizen Police Academies were conducted with over 80 participants graduating. Over 250 citizens have been trained for the Citizen Emergency Response Teams in a partnership with the Sheriff's Office. In addition two GREAT Youth Summer Camps were held during the summer for approximately 60 local youths along with numerous other special events such as National Night Out, Jam Zones, and Teen Night.

- ✓ Mobile Data Terminals were brought up on line in all the patrol cars. These terminals will allow the officers to communicate car to car, or car to dispatch via computer, freeing up valuable radio air time thus improving the Department's communication capabilities.
- ✓ The Department received a computerized driving simulator from AZ POST. The simulator will be an invaluable training tool where officers can improve their driving skills through a wide variety of situations and conditions. The goal will be to make the officers more competent and safe while conducting pursuits and their day to day driving.
- ✓ The Department fared very well during last year's ICMA Performance Measurement Survey results, especially in the area of citizen satisfaction. Of all the agencies that participated, this agency was rated the highest with 71% of the citizens surveyed describing their contact with the department as being excellent.
- ✓ The capabilities of the Tactical Operations Unit have been enhanced by partnering with the Sheriff's Office, who will assign five deputies to the team. The additional personnel will make the unit more self-sufficient and capable of handling simultaneous missions.

## FY 07 NEW INITIATIVES

- The current growth and future plans for additional development in the southwest quadrant of the City has necessitated the need to create an additional beat in that area. This realignment will require additional officers to patrol and will be critical if the Department is to maintain adequate services for the area.
- The Department needs to reorganize its evidence processing procedures, assigning an additional person to this detail. Storage and processing of this property has become extremely troublesome, requiring storage at several off sight locations. The additional personnel is required to address the growing backlog of property. It is also believed that due to the sensitive nature of some of this property, this problem creates a liability concern for the City.
- Creation of a Crime Free Hotel/Motel program would educate innkeepers as to how to better protect their establishments and create a network for sharing information on current criminal activity.

➤ Reorganizing the ability of the Department to develop and track intelligence on homeland security issues, gangs and drug activity will be a high priority. A more formalized process will be developed in partnership with surrounding agencies with the goal of improving this process.

➤ Train and develop Crisis Incident Teams (CIT) to more effectively deal with the mentally ill. The goal will be to train approximately one third of the patrol section in the CIT concept. In addition NARBA is attempting to seek funding so the CIT Officers can refer a mentally ill person to a mental health provider 24/7.

**PERFORMANCE MEASURES**

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Enhance the safety of Flagstaff's streets by targeting causes of motor vehicle collisions and providing a highly visible deterrent and proactive solutions.

- Objective:**
1. Increase traffic enforcement in high collision locations by identifying & targeting collision causing violations.
  2. Continued emphasis on arresting intoxicated drivers.
  3. Promote seat belt and child restraint use with a combination of education and enforcement.
  4. Utilize Speed Monitoring Trailers, Project T.R.A.P., Motorcycle Patrols, and other resources in selected areas.

| <b>Measures:</b>         | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Traffic Citations Issued | 13,366                  | 13,640                  | 14,000                    | 14,500                    |
| Warnings Issued          | 11,207                  | 11,313                  | 11,600                    | 12,000                    |
| Traffic Accidents        | 3,601                   | 3,473                   | 3,200                     | 3,000                     |

**Council Priority/Goal: QUALITY OF LIFE / PUBLIC SAFETY**

**Goal:** Expand our community policing philosophy by promoting a community partnership of trust, support and responsiveness and by providing timely response and quality service to the citizens of Flagstaff.

- Objective:**
1. Respond to emergency calls in five minutes or less.
  2. Hold no more than 12% of total calls for service for 20 minutes or longer.
  3. Maintain current level of responsive P.R.I.D.E. Block Watch programs while attempting to increase citizen participation.
  4. Provide a high level of enforcement for substance abuse related crimes such as DUI.

| <b>Measures:</b>                      | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---------------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| % of calls held 20 minutes or longer. | 13%                     | 12%                     | 12%                       | 11%                       |
| Number of DUI Arrests                 | 1,006                   | 1,002                   | 1,010                     | 1,020                     |
| Number of Block Watch meetings held   | 118                     | 138                     | 140                       | 145                       |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Improve service to internal and external customers

- Objective:**
1. Improve our property and evidence management systems.
  2. Promote our community policing philosophy and customer service through continued training of personnel

| <b>Measures:</b>           | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|----------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Items of evidence received | 16,355                  | 17,750                  | 18,500                    | 19,000                    |
| Items of evidence disposed | 6,886                   | 7,200                   | 9,000                     | 12,000                    |
| Total training hours       | 19,417                  | 20,750                  | 21,000                    | 22,000                    |

**Council Priority/Goal: PUBLIC SAFETY/COLLABORATION****Goal:** Utilize all investigative resources, ensure consistent and timely investigation and disposition of all assigned cases.**Objective:** 1. Promote a positive, proactive liaison with other criminal justice entities.

2. Target repeat offenders for enhanced prosecution.

3. Make full custody arrests in cases of domestic violence (DV) where sufficient probable cause exists.

| <b>Measures:</b>                      | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---------------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Total cases assigned to Detectives    | 6,344                   | 6,373                   | 6,400                     | 6,500                     |
| % of cases cleared                    | 60%                     | 54%                     | 55%                       | 55%                       |
| % of DV calls where an arrest is made | 39%                     | 37%                     | 39%                       | 40%                       |

**Council Priority/Goal: PLANNING FOR GROWTH****Goal:** Implement strategic planning for technology and information systems for the short term (5 years) and long term (5-10 years)**Objective:** 1. Continue to improve radio system area coverage

2. Work with user agencies to identify and implement communication needs.

3. Evaluate new technologies to assist field operations.

4. Continue participation in the County/City Criminal Justice Intergration Initiative (CJI).

| <b>Measures:</b>                                   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| User group meetings                                | 12                      | 12                      | 12                        | 12                        |
| Completion of 5 year plan for LEAF IT              | No                      | No                      | Yes                       | Yes                       |
| Complete and obtain CJI funding from Council/Board | No                      | Yes                     | Yes                       | Yes                       |

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 9,741,761                        | \$ 10,985,766                  | \$ 10,909,119                          | \$ 11,929,677                   | \$ 943,911                |
| CONTRACTUAL   | 1,098,015                           | 1,156,273                      | 1,246,740                              | 1,297,583                       | 141,310                   |
| COMMODITIES   | 429,112                             | 507,504                        | 599,335                                | 676,107                         | 168,603                   |
| CAPITAL   | 288,740                             | 364,223                        | 362,495                                | 375,994                         | 11,771                    |
| <b>TOTAL</b>  | <b>\$ 11,557,628</b>                | <b>\$ 13,013,766</b>           | <b>\$ 13,117,689</b>                   | <b>\$ 14,279,361</b>            | <b>\$ 1,265,595</b>       |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 1,466,990                        | \$ 2,037,887                   | \$ 2,110,108                           | \$ 2,504,781                    | \$ 466,894                |
| PATROL  | 5,976,301                           | 6,656,636                      | 6,721,094                              | 7,163,446                       | 506,810                   |
| DETECTIVES  | 1,224,393                           | 1,279,128                      | 1,281,978                              | 1,408,621                       | 129,493                   |
| RECORDS   | 542,449                             | 613,459                        | 597,469                                | 608,113                         | (5,346)                   |
| COMMUNICATIONS  | 1,511,539                           | 1,502,177                      | 1,486,238                              | 1,687,026                       | 184,849                   |
| SPECIAL SERVICES  | 726,309                             | 810,122                        | 805,316                                | 882,059                         | 71,937                    |
| CRIME PREVENTION & TRAIN  | 105,754                             | 114,357                        | 115,486                                | 25,315                          | (89,042)                  |
| DIS RECOVERY POLI   | 3,893                               | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 11,557,628</b>                | <b>\$ 13,013,766</b>           | <b>\$ 13,117,689</b>                   | <b>\$ 14,279,361</b>            | <b>\$ 1,265,595</b>       |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| GENERAL FUND  |                                     |                                |  | \$ 14,279,361                   |                           |
|   |                                     |                                |  | <b>\$ 14,279,361</b>            |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| <p>The Police Departments operating budget has increased 10% and capital expenditures total \$ 375,994 resulting in an overall net increase of 10%. Personal Services increases are due to (4) staffing additions that include (1) Evidence Technician and (3) Police Officers. In addition there is a 9% pay plan adjustment and increases in retirement, health insurance and dental insurance. Contractuals increases are due to computer maintenance, rent, advertising, computer maintenance, motorola console, infrastructure maintenance, annual contract with the county and contribution to the Humane Society. Commodities increases are due to fuel costs, office supplies, various operating supplies, uniforms, office and computer equipment. One-time expenditures for this division are computer and communication equipment, satellite telephones, storage cabinets, personal protective equipment, office supplies and furniture. Major capital (&gt;\$10,000) includes (6) police vehicles (\$136,200) (2) Administration vehicles (\$49,500) and (1) copier (\$11,749) (3) additional Hybrid cars approved by council (\$32,500).</p> |                                     |                                |  |                                 |                           |

## POLICE

## DIVISION 23

## POLICE GRANTS

| <b>EXPENDITURES BY CATEGORY:</b> |                                     |                                |  |                                 |                           |
|----------------------------------|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|                                  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES                | \$ 393,661                          | \$ 596,591                     | \$ 474,753                             | \$ 413,747                      | \$ (182,844)              |
| CONTRACTUAL                      | 149,593                             | 341,632                        | 176,504                                | 180,194                         | (161,438)                 |
| COMMODITIES                      | 72,619                              | 174,204                        | 80,663                                 | 97,120                          | (77,084)                  |
| CAPITAL                          | 136,372                             | 171,474                        | 334,764                                | 576,445                         | 404,971                   |
| <b>TOTAL</b>                     | <b>\$ 752,245</b>                   | <b>\$ 1,283,901</b>            | <b>\$ 1,066,684</b>                    | <b>\$ 1,267,506</b>             | <b>\$ (16,395)</b>        |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION           | \$ 2,219                            | \$ 44,908                      | \$ 90,416                              | \$ 22,451                       | \$ (22,457)               |
| METRO                            | 288,774                             | 379,181                        | 311,218                                | 339,316                         | (39,865)                  |
| AZ INTERNET CRIME                | 1,416                               | -                              | -                                      | -                               | -                         |
| COPS UNIVERSAL HIRING 03         | 118,942                             | 130,670                        | 5,493                                  | -                               | (130,670)                 |
| RICO FUNDS FOR ME                | (2,241)                             | -                              | -                                      | -                               | -                         |
| LLEBG POLICE GRANT - 2004        | 4,368                               | -                              | -                                      | -                               | -                         |
| GREAT GRANT 2003 - 2004          | 44,434                              | -                              | -                                      | -                               | -                         |
| DUI ENFORCEMENT 2                | 434                                 | -                              | -                                      | -                               | -                         |
| ANTI-TERRORIST TA                | 14,622                              | -                              | -                                      | -                               | -                         |
| LLEBG 2003                       | 34,264                              | -                              | -                                      | -                               | -                         |
| PUBLIC AWARENESS                 | (157)                               | -                              | -                                      | -                               | -                         |
| HOMELAND SECURITY GRANT          | 30,678                              | -                              | -                                      | -                               | -                         |
| CLICK IT OR TICKE                | (1,650)                             | -                              | -                                      | -                               | -                         |
| 2003 DUI O/T POLI                | -                                   | -                              | -                                      | -                               | -                         |
| WEED & SEED 2003                 | 39,139                              | -                              | 227                                    | -                               | -                         |
| DRIVING SIMULATOR                | 113,520                             | -                              | -                                      | -                               | -                         |
| BULLET PROOF VEST                | 7,358                               | 29,049                         | 5,582                                  | 16,584                          | (12,465)                  |
| TRAFFIC CRASH REC                | 1,887                               | -                              | -                                      | -                               | -                         |
| PROFESSIONAL TRAI                | 1,212                               | -                              | -                                      | -                               | -                         |
| SMART VMS SIGN TR                | 22,852                              | -                              | -                                      | -                               | -                         |
| DRINK, DRIVE, LOS                | 2,263                               | -                              | -                                      | -                               | -                         |
| 2005 DUI ENFORCEM                | 10,320                              | -                              | -                                      | -                               | -                         |
| 2005 GOHS GRANT                  | -                                   | 42,410                         | 13,880                                 | -                               | (42,410)                  |
| 2006 GOHS GRANT                  | -                                   | 57,856                         | -                                      | 57,490                          | (366)                     |
| 2006 DUI ENFORCEM                | 8,484                               | 20,000                         | 11,676                                 | -                               | (20,000)                  |
| HLS 04-EMERGENCY                 | -                                   | -                              | 46,088                                 | -                               | -                         |
| FYO4 HOM SEC/BOMB                | -                                   | 164,428                        | 164,428                                | -                               | (164,428)                 |
| POLICE QUADS GRAN                | -                                   | 17,546                         | -                                      | -                               | (17,546)                  |
| FORENSIC TRAINING                | -                                   | 7,500                          | -                                      | -                               | (7,500)                   |
| 2005 LLEBG                       | -                                   | 45,000                         | 45,000                                 | -                               | (45,000)                  |
| 2005 - 2006 GREAT                | -                                   | 45,353                         | 72,272                                 | -                               | (45,353)                  |
| 2005 COPS UNIVERS                | -                                   | 150,000                        | -                                      | -                               | (150,000)                 |
| 2005 COPS HOMELAN                | -                                   | 100,000                        | -                                      | -                               | (100,000)                 |
| 2004 WEED & SEED                 | 2,143                               | 50,000                         | 10,400                                 | 6,000                           | (44,000)                  |
| 2005 CLICK IT OR                 | 6,964                               | -                              | -                                      | -                               | -                         |
| PSN-GUN & INTELLI                | -                                   | -                              | 16,000                                 | 34,000                          | 34,000                    |
| PSN-JUVENILE ED/P                | -                                   | -                              | 4,000                                  | 19,106                          | 19,106                    |
| 2005-HSG-EQ/BOMB                 | -                                   | -                              | 162,900                                | 75,806                          | 75,806                    |
| BURGLARY & ST CRI                | -                                   | -                              | -                                      | 6,804                           | 6,804                     |
| DIRECTED PATROL G                | -                                   | -                              | -                                      | 10,000                          | 10,000                    |
| STATEWIDE GANG TA                | -                                   | -                              | 94,364                                 | 10,093                          | 10,093                    |

## POLICE

## DIVISION 23

## POLICE GRANTS

| <b>EXPENDITURES BY PROGRAM:</b> | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
|---------------------------------|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
| DUI 06 POLICE GRA               | -                                   | -                              | 12,740                                 | -                               | -                         |
| DHS 06 HOME LAND                | -                                   | -                              | -                                      | 425,000                         | 425,000                   |
| 06 CJEF-DIGITAL E               | -                                   | -                              | -                                      | 50,000                          | 50,000                    |
| 2006 GREAT GRANT                | -                                   | -                              | -                                      | 46,717                          | 46,717                    |
| 2006 JAG PATRO OV               | -                                   | -                              | -                                      | 20,000                          | 20,000                    |
| 2006 ACJC DUI                   | -                                   | -                              | -                                      | 30,000                          | 30,000                    |
| 2005 WEED & SEED                | -                                   | -                              | -                                      | 30,000                          | 30,000                    |
| 06 PSN-JUVENILE E               | -                                   | -                              | -                                      | 17,500                          | 17,500                    |
| 06 PSN-GUN INTELL               | -                                   | -                              | -                                      | 25,000                          | 25,000                    |
| GRANT FUNDED ATV'               | -                                   | -                              | -                                      | 14,000                          | 14,000                    |
| 2006 DPS ICAC                   | -                                   | -                              | -                                      | 11,639                          | 11,639                    |
| <b>TOTAL</b>                    | <b>\$ 752,245</b>                   | <b>\$ 1,283,901</b>            | <b>\$ 1,066,684</b>                    | <b>\$ 1,267,506</b>             | <b>\$ (16,395)</b>        |
| <b>SOURCE OF FUNDING:</b>       | GENERAL FUND                        |                                |  | \$ 1,267,506                    |                           |
|                                 |                                     |                                |  | <b>\$ 1,267,506</b>             |                           |

## ***PUBLIC WORKS DEPARTMENT MISSION***

The **Public Works Department**, consisting of the **Airport, Cemetery, Environmental Services, Facilities Maintenance, Fleet Services, Parks & Recreation, and Streets Divisions**, dedicate their efforts to provide customer service oriented, quality based, cost efficient services to the citizens of Flagstaff and their fellow City employees.

The **Parks and Recreation Division** strives to bring our community together by providing exceptional opportunities for families and individuals to enjoy our outdoor environment and to participate in programs valuable to sustaining a healthy lifestyle.

The **Fleet Services Division** vows to provide high quality, efficient maintenance services to City employees, and indirectly to Flagstaff citizens by keeping equipment in excellent condition.

The **Cemetery Division** employees dedicate themselves to offering quality customer service in a time of need; providing proper grounds maintenance that is aesthetically pleasing to the public.

The **Facilities Maintenance** mission is dedicated to providing quality service by keeping all City facilities maintained in the best condition possible through teamwork.

The **Airport and Streets Divisions** dedicate their efforts to provide quality service for the ever-growing transportation needs of our community.

The **Environmental Services Division** is comprised of a valuable team of professionals committed to providing the greater Flagstaff community with progressive management, strategies that emphasize customer service, environmental management, waste reduction, refuse and recycling correction, and sound landfill management. In partnership with citizens and agencies we embrace the concepts of sustainability, pollution prevention, and conservation of energy and natural resources.

# Public Works



**MISSION**

Facilities Maintenance is dedicated to providing quality service, by keeping all City facilities maintained in the best condition possible through teamwork.

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**PROGRAM DESCRIPTION**

The USGS Maintenance Division accounts for the costs associated with the USGS facilities owned by the City and leased by the GSA. The City currently has responsibility for Buildings 2, 3, and 6. The City will assume responsibility for Buildings 4 and 5 in 2006, giving the City the responsibility for the full campus. The Facilities and Parks Division share responsibility for the maintenance.

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**FY 06 ACCOMPLISHMENTS**

- ✓ Facility Assessments completed on Building 3 only.
- 

**FY 07 NEW INITIATIVES**

- Complete Four (4) Facility Assessments on all Buildings (except Building 2 scheduled for demolition). Including 3,4,5, & 6.
  - Develop Capital Improvement Long Range Plans for each building.
  - Establish Preventive Maintenance Schedules for the following: Roofing, Flooring, HVAC, Electrical, Painting, Plant Equipment, and Overhead Doors.
- 

**PERFORMANCE MEASURES**

**Council Priority/Goal: CAPITAL IMPROVEMENTS**

**Goal:** Complete one Facility Assessments for each USGS facility for a total of 4.

**Objective:** Complete Facility Assessments.

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Complete one per quarter (4 of 4 buildings-USGS-3, 4, 5, and 6). | N/A             | N/A             | 1                 | 4                 |

**Council Priority/Goal: CAPITAL IMPROVEMENTS**

**Goal:** Develop Capital Improvement Plans for each building for a total of four.

**Objective:** Develop Capital Improvement Plans.

| Measures:                                    | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Complete one plan per quarter (4 buildings). | N/A             | N/A             | N/A               | 4                 |

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** Establish Preventative Maintenance schedules for HVAC, Roofing, Electrical, Painting, Plant Eq, Flooring, and Overhead Doors.

**Objective:** Establish PM schedules.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Complete PM schedules for each facility before 2008 budget. | N/A             | N/A             | N/A               | 7                 |

**PUBLIC WORKS**

**DIVISION 20**

**USGS MAINTENANCE**

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 12,438                           | \$ 20,708                      | \$ 20,708                              | \$ 30,735                       | \$ 10,027                 |
| CONTRACTUAL   | 670,613                             | 685,539                        | 682,790                                | 991,849                         | 306,310                   |
| COMMODITIES   | 4,143                               | 225,300                        | 15,300                                 | 275,285                         | 49,985                    |
| CAPITAL   | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 687,194</b>                   | <b>\$ 931,547</b>              | <b>\$ 718,798</b>                      | <b>\$ 1,297,869</b>             | <b>\$ 366,322</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| ADMINISTRATION  | \$ 464,839                          | \$ 463,839                     | \$ 463,839                             | 462,439.00                      | \$ (1,400)                |
| MAINTENANCE-BLDG #2   | 33,291                              | 54,350                         | 50,065                                 | 21,750.00                       | (32,600)                  |
| BUILDING 6  | 114,121                             | 119,216                        | 120,752                                | 139,539.00                      | 20,323                    |
| USGS BUILDING 3   | 74,943                              | 294,142                        | 84,142                                 | 304,900.00                      | 10,758                    |
| USGS BUILDING 4   | -                                   | -                              | -                                      | 163,871.00                      | 163,871                   |
| USGS BUILDING 5   | -                                   | -                              | -                                      | 80,370.00                       | 80,370                    |
| BUILDING #2 DEMO  | -                                   | -                              | -                                      | 125,000.00                      | 125,000                   |
| <b>TOTAL</b>  | <b>\$ 687,194</b>                   | <b>\$ 931,547</b>              | <b>\$ 718,798</b>                      | <b>\$ 1,297,869</b>             | <b>\$ 366,322</b>         |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| GENERAL FUND  |                                     |                                |  | \$ 1,297,869                    |                           |
|   |                                     |                                |  | <b>\$ 1,297,869</b>             |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| <p>The USGS operating budget has increased 39% and there are no capital expenditures. Personal Services increases are due to a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractual increases are due to demolition of building #2 and improvements to building #'s 4 and 5. Commodity increases are due to Materials and Supplies expenses for building #'s 3, 4, 5, and 6. There is no major capital (&gt;\$10,000) for this division.</p> |                                     |                                |  |                                 |                           |

**MISSION**

The Public Works Department dedicates its efforts to provide customer service oriented, quality based, cost efficient services to the citizens of Flagstaff and their fellow City employees.

**PROGRAM DESCRIPTION**

This division is responsible for the general administration of all the Public Works divisions, including the Airport, Cemetery, Environmental Services, Facilities Maintenance, Fleet Services, Parks and Recreation, and Streets.

**FY 06 ACCOMPLISHMENTS**

- ✓ Twenty-six employees received City Manager's Excellence Awards: Humphreys Award - Mindy Meyers; Agassiz Awards - Ben Fisk for Quality, Rebecca Sayers for Professionalism, Ron Long for Responsiveness, Collection Crew for Teamwork.
- ✓ Longevity continues to be celebrated by employees: nine - 5 years, five - 10 years, five - 15 years, two - 20 years, one - 36 years, and 1 retired with thirty-seven years of service.
- ✓ Public Works successfully coordinated the City United Way Campaign exceeding our goal of \$40,000!

**FY 07 NEW INITIATIVES**

- Establish a multidivisional Safety Task Force with Facilities Maintenance to ensure workplace safety and OSHA compliance.

**PERFORMANCE MEASURES**

**Council Priority/Goal: ORGANIZATIONAL SUPPORT**

**Goal:** Effective Safety Program.

**Objective:** No lost-time injury accidents

| Measures:                                    | CY 04 Actual                      | CY 05 Actual                    | CY 06 Estimate | CY 07 Proposed |
|--|-----------------------------------|---------------------------------|----------------|----------------|
| Amount of time lost due to injury accidents. | 7 days lost                       | 4 days lost                     | 10 days lost*  | 0 days lost    |
|  | 386,880 hours of work<br><0.0186% | 399,880 hours of work<br><0.008 |                |                |
| * 6 Days Lost/Accident as of February 2006   |                                   |                                 |                |                |

**Council Priority/Goal: ORGANIZATIONAL SUPPORT**

**Goal:** Effective Vehicle Safety Program.

**Objective:** Reduce Vehicular Accidents by 15%.

| Measures:                                  | CY 04 Actual              | CY 05 Actual              | CY 06 Estimate | CY 07 Proposed |
|--|---------------------------|---------------------------|----------------|----------------|
| Number of accidents compared to last year. | 34 accidents              | 40 accidents              | 34 accidents   | 28             |
| Number of accidents per thousand miles     | 850,000 miles             | 920,000 miles             |                |                |
|  | 1 accident / 25,000 miles | 1 accident / 23,000 miles | -15%           | -15%           |

**Council Priority/Goal: ORGANIZATIONAL SUPPORT****Goal:** Increase employee knowledge and certification.**Objective:** Better trained workforce; increase job enrichment, reduce turnover except for retirement.

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Number of classes taken.                                   | 322                     | 176                     | 200                       | 225                       |
| Number of new certifications earned/maintained (baseline). | N/A / N/A               | 74/337                  | 20/411                    | 20/461                    |

| <b>EXPENDITURES BY CATEGORY:</b> | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
|----------------------------------|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
| PERSONAL SERVICES                | \$ 198,467                          | \$ 219,013                     | \$ 275,528                             | \$ 226,795                      | \$ 7,782                  |
| CONTRACTUAL                      | 6,505                               | 6,028                          | 26,261                                 | 9,750                           | 3,722                     |
| COMMODITIES                      | 6,542                               | 6,897                          | 7,370                                  | 5,125                           | (1,772)                   |
| CAPITAL                          | -                                   | -                              | -                                      | 29,000                          | 29,000                    |
| <b>TOTAL</b>                     | <b>\$ 211,514</b>                   | <b>\$ 231,938</b>              | <b>\$ 309,159</b>                      | <b>\$ 270,670</b>               | <b>\$ 38,732</b>          |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION           | \$ 211,514                          | \$ 231,938                     | \$ 309,159                             | \$ 270,670                      | \$ 38,732                 |
| <b>TOTAL</b>                     | <b>\$ 211,514</b>                   | <b>\$ 231,938</b>              | <b>\$ 309,159</b>                      | <b>\$ 270,670</b>               | <b>\$ 38,732</b>          |
| <b>SOURCE OF FUNDING:</b>        |                                     |                                |  |                                 |                           |
| GENERAL FUND                     |                                     |                                |  | \$ 55,901                       |                           |
| LIBRARY                          |                                     |                                |  | 79,452                          |                           |
| HIGHWAY USER REVENUE FUND        |                                     |                                |  | 80,941                          |                           |
| AIRPORT FUND                     |                                     |                                |  | 45,382                          |                           |
| ENVIRONMENTAL SERVICES FUND      |                                     |                                |  | 88,446                          |                           |
|                                  |                                     |                                |  | <b>\$ 350,122</b>               |                           |

**COMMENTARY:**

The Public Works Administration operating budget has increased 4% and capital expenditures total \$29,000 resulting in an overall net increase of 17%. Personal Services increases are due to a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractuals increases are due to an increase in Other Miscellaneous Services expense. Commodities decreases are due to a decrease in Miscellaneous Computer expense. Major capital (>\$10,000) includes the replacement of a vehicle with a hybrid.

**MISSION**

The Parks and Recreation Division strives to bring our community together by providing exceptional opportunities for families and individuals to enjoy our outdoor environment and to participate in programs valuable to sustaining a healthy lifestyle.

**PROGRAM DESCRIPTION**

Parks staff is responsible for the maintenance and management of parks and sports fields; school fields improved by BBB funds; HURF right-of-ways, BBB Streetscapes, FUTS trails, downtown areas, grounds at City buildings, including recreation centers, library, City Hall, and USGS, and snow removal from City owned parking lots and designated City sidewalks and alleyways. The Parks and Recreation weed and tree management plan are also budgeted in this division.

**FY 06 ACCOMPLISHMENTS**

- ✓ Construction of a 2.2 acre Freestyle BMX facility
- ✓ Assisted with planning and installation of a new 18-hole Disc Golf Course in McPherson Park

- ✓ Completed Thomas and Christensen School field improvements
- ✓ Introduced and released three species of weevils to aid in the control of diffuse knapweed - biological release
- ✓ Completed the final phase of demolition work at the Thorpe Park Softball Complex in preparation for the 1996 Bond Project Improvements
- ✓ Resurfaced tennis courts and replaced net posts and screens at Flagstaff Recreation Center (4 courts)
- ✓ Replaced net posts and screens at Thorpe Park tennis courts (4 courts)

**FY 07 NEW INITIATIVES**

- Replacement of sofffall materials at Bushmaster, McPherson, Smokerise, and Cheshire Parks
- Resurfacing of basketball courts at Cheshire Park
- Fence replacement at the North Softball Field at Thorpe Park
- Fence replacement at Cheshire Park
- Oversight and coordination of the landscape installation at Thorpe Park and the new Aquatic/Multi-generational Center

**PERFORMANCE MEASURES**

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** Enhance the quality of life for our community by providing comprehensive park resources, services and programs

**Objective:** Maintain parks, trails, and beautification projects at the highest level of service

| <b>Measures:</b>    | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| BBB Landscape areas | 40%                     | 40%                     | 40%                       | 50%                       |
| Parks               | 70%                     | 70%                     | 70%                       | 70%                       |
| Sportsfields        | 75%                     | 75%                     | 80%                       | 82%                       |

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Maintain safe parks through active involvement in an integrated public safety system

**Objective:** Identify and complete maintenance upgrades and inspections at all parks and park amenities

| <b>Measures:</b>  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Conduct Bi-weekly safety inspections of parks and playground equipment                      | 85%                     | 85%                     | 85%                       | 85%                       |
| Complete daily and weekly maintenance tasks at all park areas                               | 70%                     | 70%                     | 70%                       | 70%                       |
| Maintain number of professional certifications for inspections and maintenance applications | 6                       | 12                      | 50                        | 55                        |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** Decrease park vandalism**Objective:** Implement a tracking and response log that will identify annual vandalism costs, locations and frequencies, and types, in order to develop prevention procedures to address and deter future acts

| <b>Measures:</b>                | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Annual vandalism costs          | \$27,285                | \$24,988                | \$25,000                  | \$23,000                  |
| Respond time to correction      | 48 hrs.                 | 36 hrs.                 | 24 hrs.                   | 24 hrs.                   |
| Prevention measures implemented | 40%                     | 43%                     | 45%                       | 47%                       |

| <b>EXPENDITURES BY CATEGORY:</b> | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
|----------------------------------|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
| PERSONAL SERVICES                | \$ 983,384                          | \$ 1,122,497                   | \$ 1,189,638                           | \$ 1,227,488                    | \$ 104,991                |
| CONTRACTUAL                      | 596,405                             | 721,590                        | 686,181                                | 793,375                         | 71,785                    |
| COMMODITIES                      | 333,455                             | 326,802                        | 342,084                                | 379,717                         | 52,915                    |
| CAPITAL                          | 257,491                             | 96,000                         | 112,165                                | 289,400                         | 193,400                   |
| <b>TOTAL</b>                     | <b>\$ 2,170,735</b>                 | <b>\$ 2,266,889</b>            | <b>\$ 2,330,068</b>                    | <b>\$ 2,689,980</b>             | <b>\$ 423,091</b>         |

| <b>EXPENDITURES BY PROGRAM:</b> | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
|---------------------------------|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
| GENERAL ADMIN                   | \$ 128,080                          | \$ 145,300                     | \$ 111,923                             | \$ 178,985                      | \$ 33,685                 |
| PARK GROUNDS MAINT.             | 723,977                             | 567,386                        | 559,273                                | 747,476                         | 180,090                   |
| PARK BLDGS & FAC MAINT.         | 22,546                              | 27,669                         | 33,326                                 | 28,869                          | 1,200                     |
| BBB-STREETSCAPE/MEDIAN          | 187,531                             | 220,286                        | 210,177                                | 230,393                         | 10,107                    |
| RIGHT OF WAYS/MEDIAN            | 61,059                              | 84,038                         | 96,253                                 | 87,038                          | 3,000                     |
| FUTS TRAIL SYSTEM               | 71,089                              | 112,133                        | 120,291                                | 124,491                         | 12,358                    |
| HERITAGE SQUARE MAINT           | 39,875                              | 41,795                         | 41,424                                 | 63,851                          | 22,056                    |
| BBB RECREATION FIELDS           | 624,694                             | 887,199                        | 869,022                                | 1,007,272                       | 120,073                   |
| DOWNTOWN MAINTENANCE            | 49,377                              | 63,631                         | 71,239                                 | 95,590                          | 31,959                    |
| NON-PARKS GROUNDS/LANDSCA       | 131,373                             | 117,452                        | 115,749                                | 126,015                         | 8,563                     |
| DISASTER RECOVERY               | 111,259                             | -                              | 75,195                                 | -                               | -                         |
| FRANCIS SHORT POND GRANT        | 19,875                              | -                              | 26,196                                 | -                               | -                         |
| <b>TOTAL</b>                    | <b>\$ 2,170,735</b>                 | <b>\$ 2,266,889</b>            | <b>\$ 2,330,068</b>                    | <b>\$ 2,689,980</b>             | <b>\$ 423,091</b>         |

| <b>SOURCE OF FUNDING:</b> |  |                     |
|---------------------------|--|---------------------|
| GENERAL FUND              |  | \$ 2,689,980        |
|                           |  | <b>\$ 2,689,980</b> |

**COMMENTARY:**

The Parks operating budget has increased 11% and capital expenditures total \$289,400 resulting in an overall net increase of 19%. Personal Services increases are due to 1 FTE staffing addition that includes Maintenance Worker I position. Contractuals increases are due to increases in Rent, Utilities, Travel, and Other Miscellaneous Services. Commodities increases are due to increases in Operating Supplies and Gas & Oil expenses. Major capital (>\$10,000) includes \$15,000 for wood fiber replacement, \$12,600 for resurfacing a tennis court, \$18,500 for an air compressor, \$64,000 for two skid steer tractors, \$81,500 for fence repair, \$20,000 for flagpole restoration, and \$35,000 for replacement of two 1/2 ton pickups.

**MISSION**

The Fleet Services Division vows to provide high quality, efficient maintenance services to City employees, and indirectly to Flagstaff citizens by keeping equipment in excellent condition.

- ✓ Kept mechanic productivity at 90% to ensure proficiency and timely repairs and maintain break even labor charge out.
- ✓ Study and development of needs assessment by HTE from users input and enhancements to better serve customers needs.

**PROGRAM DESCRIPTION**

To establish efficient and effective delivery of City fleets services by providing customer agencies with safe, reliable, economical, and environmentally sound transportation and related support services that are responsive to the needs of customer departments and that conserve vehicle value and equipment investment.

**FY 07 NEW INITIATIVES**

- Analyze H.T.E. City needs assessment and improve services, efficiencies and implement user comments.
- Improve 50,000 mile extensive preventive maintenance program by scheduling tune ups.
- Develop extensive vehicle safety check lists for services performed at the preventive maintenance shop.
- Keep technician comeback repairs to less than 1% for all technicians.
- Monitor vehicle utilization to ensure light duty fleet meets established utilization criteria and rotate under-utilized vehicles when practical.

**FY 06 ACCOMPLISHMENTS**

- ✓ Provided users with monthly and quarterly fuel and operations reports.
- ✓ Conducted an annual customer service satisfaction survey and benchmark tracking of data to improve service levels.

**PERFORMANCE MEASURES**

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** To ensure user department vehicles/equipment are serviced as scheduled.

**Objective:** To complete preventative maintenance (PM) appointments within the month scheduled.

| Measures:                                     | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Percentage of completed scheduled PM services | 91%             | 93%             | 95%               | 97%               |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** To establish heavy equipment repair time standards.

**Objective:** To standardize technician time charged to replace various components (i.e. brooms, brakes and tires).

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Identify and track 12 types of components and repair | N/A             | 1               | 6                 | 12                |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Continue to maintain quality repair services.

**Objective:** To keep technician repair come backs to less than one percent.

| Measures:                               | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Percentage of come backs per technician | N/A             | N/A             | 1%                | 1%                |

**PUBLIC WORKS**

**DIVISION 27**

**FLEET SERVICES**

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 135,780                          | \$ 134,708                     | \$ 146,447                             | \$ 168,984                      | \$ 34,276                 |
| CONTRACTUAL   | 117,004                             | 92,914                         | 111,579                                | 111,728                         | 18,814                    |
| COMMODITIES   | (173,936)                           | (183,416)                      | (258,026)                              | (280,712)                       | (97,296)                  |
| CAPITAL   | -                                   | 80,250                         | 78,419                                 | 34,125                          | (46,125)                  |
| <b>TOTAL</b>  | <b>\$ 78,848</b>                    | <b>\$ 124,456</b>              | <b>\$ 78,419</b>                       | <b>\$ 34,125</b>                | <b>\$ (90,331)</b>        |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 67,878                           | \$ 43,993                      | \$ 16,901                              | \$ (16,400)                     | \$ (60,393)               |
| INVENTORY MANAGEMENT  | 70,630                              | 73,398                         | 76,780                                 | 85,333                          | 11,935                    |
| PREVENTIVE MAINTENANCE  | 136,240                             | 115,396                        | 121,157                                | 124,318                         | 8,922                     |
| VEHICLE REPAIR  | (268,204)                           | (211,934)                      | (236,601)                              | (247,680)                       | (35,746)                  |
| POOL VEHICLES-CITY HALL   | 6,083                               | 9,500                          | 10,728                                 | 10,000                          | 500                       |
| POOL VEHICLES-SHOP  | 5,655                               | 27,000                         | 25,149                                 | 7,300                           | (19,700)                  |
| OTHER SHOP WORK   | 60,554                              | 67,103                         | 64,305                                 | 71,254                          | 4,151                     |
| SHOP IMPROVEMENTS   | 12                                  | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 78,848</b>                    | <b>\$ 124,456</b>              | <b>\$ 78,419</b>                       | <b>\$ 34,125</b>                | <b>\$ (90,331)</b>        |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| GENERAL FUND  |                                     |                                |  | \$ (175,585)                    |                           |
| LIBRARY FUND  |                                     |                                |  | 625                             |                           |
| HIGHWAY USER REVENUE FUND   |                                     |                                |  | 66,427                          |                           |
| WATER AND WASTEWATER FUND   |                                     |                                |  | 23,977                          |                           |
| STORMWATER FUND   |                                     |                                |  | 34                              |                           |
| AIRPORT FUND  |                                     |                                |  | 3,491                           |                           |
| ENVIRONMENTAL SERVICES FUND   |                                     |                                |  | 115,156                         |                           |
|   |                                     |                                |  | <b>\$ 34,125</b>                |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| <p>The Fleet Services operating budget is a \$0 base budget meaning the division expects to recover ongoing operating expenditures through charges for services and markups on parts and fuel. Shop rate is currently \$49.00 per hour and does not cover one-time and capital requests. Personal Services increase are due to a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractuals increases is due to increases in Utilities expense. Commodity increases are due to higher markups to cover higher parts and fuel expenses. Major capital (&gt;\$10,000) includes \$10,000 to resurface the lower shop floor and \$10,000 for an air exhaust system.</p> |                                     |                                |  |                                 |                           |

**MISSION**

Citizen Cemetery employees dedicate themselves to offering quality customer service in a time of need and providing proper grounds maintenance that is aesthetically pleasing to the public.

- ✓ The purchase of Cemetery Mapping and software.
- ✓ Met with Flagstaff Masonic Lodge #7 on Upgrading Mason D Section.
- ✓ Met with American Legion on Upgrading of Veteran-C Section.
- ✓ Worked with Church and youth organization on community projects.

**PROGRAM DESCRIPTION**

Under the direction of the Transportation and Maintenance Manager, the City maintains Citizens Cemetery performing services related to opening/closing of graves, lot sales, record keeping, facility and grounds maintenance. The Cemetery also provides opening/closing services for the Calvary Cemetery.

**FY 07 NEW INITIATIVES**

- Continue working with Flagstaff Masonic Lodge #7 on Upgrading Mason D and E Section.
- Continue working with American Legion on Upgrading of Veteran-C Section.
- Grounds up-keep (Mowing turf section once per week, Trimming Turf Section once every two weeks, edging every fourth week).
- Cost Comparison of Cemetery fees other Arizona cemetery.

**FY 06 ACCOMPLISHMENTS**

- ✓ The purchase of a new riding mower under the estimate budget.

**PERFORMANCE MEASURES**

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Upgrade of section Mason-D and Veteran-C

**Objective:** To enhance these sections to a more aesthetically looking section.

| Measures:  | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Irrigation System installed (Started talks 2005) | N/A          | 50           | 50             | 100            |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Grounds Up-Keep of turf Section

**Objective:** Mow and Trimming turf section in a timely matter

| Measures:                            | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--------------------------------------|--------------|--------------|----------------|----------------|
| Mowing turf section every week       | 50           | 50           | 75             | 75             |
| Trimming of Grass Section every week | 50           | 25           | 50             | 75             |

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** Cemetery Cost Comparison

**Objective:** Measurement of our fees in comparison of other cemetery in AZ

| Measures:                | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--------------------------|--------------|--------------|----------------|----------------|
| Fees Comparison 11/25/06 | 50           | 75           | 75             | 100            |

| <b>EXPENDITURES BY CATEGORY:</b>   |                                     |                                |  |                                 |                           |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES  | \$ 95,424                           | \$ 100,768                     | \$ 98,480                              | \$ 120,249                      | \$ 19,481                 |
| CONTRACTUAL  | 39,372                              | 55,130                         | 51,019                                 | 57,905                          | 2,775                     |
| COMMODITIES  | 6,425                               | 33,807                         | 12,734                                 | 39,175                          | 5,368                     |
| CAPITAL  | 15,928                              | 18,000                         | 17,007                                 | -                               | (18,000)                  |
| <b>TOTAL</b>   | <b>\$ 157,149</b>                   | <b>\$ 207,705</b>              | <b>\$ 179,240</b>                      | <b>\$ 217,329</b>               | <b>\$ 9,624</b>           |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL SERVICES   | \$ 1,905                            | \$ 23,025                      | \$ 1,731                               | \$ 23,025                       | \$ -                      |
| OPENING & CLOSING  | 58,839                              | 51,880                         | 49,204                                 | 55,714                          | 3,834                     |
| MAINTENANCE OF BUILDINGS   | 4,459                               | 4,500                          | 5,069                                  | 6,075                           | 1,575                     |
| MAINTENANCE OF GROUNDS   | 91,946                              | 128,300                        | 123,236                                | 132,515                         | 4,215                     |
| <b>TOTAL</b>   | <b>\$ 157,149</b>                   | <b>\$ 207,705</b>              | <b>\$ 179,240</b>                      | <b>\$ 217,329</b>               | <b>\$ 9,624</b>           |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
| GENERAL FUND   |                                     |                                |  | \$ 217,329                      |                           |
|  |                                     |                                |  | <b>\$ 217,329</b>               |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| The Cemetery operating budget has increased 15% and there are no capital expenditures. Personal Services increases are due to a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractuals increases are due to increases in Telephone and Utilities expenses. Commodities decreases are due to decreases in Computer Equipment and Software expense. There is no major capital (>\$10,000) for this division. |                                     |                                |  |                                 |                           |

**MISSION**

Facilities Maintenance is dedicated to providing quality service, by keeping all City facilities maintained in the best condition possible through teamwork.

**PROGRAM DESCRIPTION**

Under the direction of the Transportation & Maintenance Manager, the Public Facilities Maintenance division is responsible for all maintenance and upgrades of all City buildings.

**FY 06 ACCOMPLISHMENTS**

- ✓ Develop and complete Facility Assessments for each City building owned or leased (32 total excludes Utilities).

**FY 07 NEW INITIATIVES**

- Develop and maintain Preventive Maintenance (PM) programs for the following: HVAC, Electrical, Overhead Doors, Roofing, Flooring, Plant Equipment, and Painting.
- Develop Long Range Capital Improvement Plans.
- Implement a new Work Order system, track and improve measures.

**PERFORMANCE MEASURES**

**Council Priority/Goal: CAPITAL IMPROVEMENTS**

**Goal:** Complete Facility Assessments on 32 City buildings each year.

**Objective:** Complete Facility Assessments.

| Measures:                                      | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Assessments completion (8 per quarter).        | N/A          | N/A          | 20             | 32             |
| Work dispatched and completed (8 per quarter). | N/A          | N/A          | 20             | 32             |

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** Develop and maintain PM programs for the following: HVAC, Elect, OHD, Roofs, Floors, Plant Equip, & Paint.

**Objective:** Develop and maintain PM programs.

| Measures:  | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Complete PM schedules before 2008 budget.<br>(Complete one every two months) | N/A          | N/A          | 3              | 7              |

**Council Priority/Goal: CAPITAL IMPROVEMENTS**

**Goal:** Develop Long Range Capital Improvements Plan used for 10-year budget planning.

**Objective:** Develop Long Range Capital Improvements.

| Measures:  | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Complete entire plan before 2008 budget.   | N/A          | N/A          | 0              | 1              |
| Complete 2007 Major repair projects (as approved & listed)<br>(Complete 2 per month) | N/A          | N/A          | 0              | 21             |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Implement Work Order system used for work dispatching and controls.

**Objective:** Implement Work Order system.

| Measures:                        | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|----------------------------------|--------------|--------------|----------------|----------------|
| Work Order system implementation | N/A          | N/A          | 0              | 1              |

**PUBLIC WORKS**

**DIVISION 29**

**FACILITIES MAINTENANCE**

| <b>EXPENDITURES BY CATEGORY:</b>   |                                     |                                |  |                                 |                           |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES  | \$ 303,480                          | \$ 319,848                     | \$ 316,580                             | \$ 361,843                      | \$ 41,995                 |
| CONTRACTUAL  | 351,450                             | 226,601                        | 244,784                                | 210,143                         | (16,458)                  |
| COMMODITIES  | 60,453                              | 379,889                        | 250,608                                | 1,007,853                       | 627,964                   |
| CAPITAL  | 108,115                             | 28,025                         | 50,818                                 | 26,000                          | (2,025)                   |
| <b>TOTAL</b>   | <b>\$ 823,498</b>                   | <b>\$ 954,363</b>              | <b>\$ 862,790</b>                      | <b>\$ 1,605,839</b>             | <b>\$ 651,476</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION   | \$ 243,626                          | \$ 294,258                     | \$ 280,295                             | \$ 464,832                      | \$ 170,574                |
| CUSTODIAL SERVICE  | 83,500                              | 87,183                         | 87,560                                 | 91,216                          | 4,033                     |
| STRUCTURAL & OTHER MAINT.  | 307,505                             | 406,215                        | 239,142                                | 912,159                         | 505,944                   |
| MAINT-MECH,ELECT & PLUMB   | 171,695                             | 150,677                        | 228,171                                | 121,435                         | (29,242)                  |
| BEAVER ST ANNEX  | 21                                  | -                              | -                                      | -                               | -                         |
| MILLIGAN HOUSE   | 10,934                              | 7,380                          | 10,920                                 | 8,237                           | 857                       |
| APS BUILDING   | 2,362                               | -                              | 9,230                                  | 5,660                           | 5,660                     |
| ASPEN - ANDY'S   | 2,543                               | 8,200                          | 2,651                                  | 2,300                           | (5,900)                   |
| MURDOCK  | 1,300                               | 450                            | 4,821                                  | -                               | (450)                     |
| MISC. IMPROV. CIT  | 12                                  | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>   | <b>\$ 823,498</b>                   | <b>\$ 954,363</b>              | <b>\$ 862,790</b>                      | <b>\$ 1,605,839</b>             | <b>\$ 651,476</b>         |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
| GENERAL FUND   |                                     |                                |  | \$ 1,497,252                    |                           |
| HIGHWAY USER REVENUE FUND  |                                     |                                |  | 35,397                          |                           |
| WATER AND WASTEWATER FUND  |                                     |                                |  | 23,434                          |                           |
| STORMWATER FUND  |                                     |                                |  | 8,239                           |                           |
| AIRPORT FUND   |                                     |                                |  | 16,344                          |                           |
| ENVIRONMENTAL SERVICES FUND  |                                     |                                |  | 25,173                          |                           |
|  |                                     |                                |  | <b>\$ 1,605,839</b>             |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| <p>The Facilities Maintenance operating budget has increased 71% and capital expenditures total \$26,000 resulting in an overall net increase of 68%. Personal Services increases are due to 1 FTE staffing addition for the Maintenance Worker III position. In addition there is a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractual decrease is due to lower Consulting expenses. Commodity increases are due to increased Materials &amp; Supplies, Equipment, and Gas &amp; Oil expenses. Major capital (&gt; \$10,000) includes a replacement vehicle.</p> |                                     |                                |  |                                 |                           |

**MISSION**

The mission of the Parks and Recreation Division is to bring our community together by providing exceptional opportunities for families and individuals to enjoy our outdoor environment and to participate in programs valuable to sustaining a healthy lifestyle.

**PROGRAM DESCRIPTION**

Recreation staff is responsible for the management and operation of two community centers, an adult center, an ice arena, two swimming pools, and numerous sports fields. Special event and use permits are coordinated for organizations and individuals; "leisure learning" activities are programmed for all ages and abilities, and sports are facilitated for both adults and youth. All Parks and Recreation administrative functions and master plan management are also budgeted in this division.

**FY 06 ACCOMPLISHMENTS**

- ✓ Coordinated focus groups and community workshops for the Thorpe Park Improvement Project and Aquatic/Multi-generational Center; developed a business proforma, programming, site selection and preliminary design for the Aquatic/Multi-generational Center

- ✓ Revision of the Special Event Permit Package
- ✓ Received APRA Awards for (1.) Outstanding Community and Neighborhood Event Award for "Soar Into Spring!" and (2.) Outstanding Partnership with the Media Award
- ✓ Secured federal funding through the Weed and Seed Grant Initiative for tutoring and employment services at Cogdill Recreation Center

**FY 07 NEW INITIATIVES**

- Completion of Facility Management Plans for all park facilities
- Coordinate the design and construction of the Aquatic/Multi-generational Center
- Coordinate the design and construction of the Adult Center renovation project
- Implementation of RecTrac upgrades to include credit card processing and online registration
- Development of conceptual design for land use planning of McMillan Mesa
- Facilitate IGA renewals for shared use with FUSD for pool, fields and facilities
- Explore options for a joint City/County Recreation, Parks and Open Space Master Plan

**PERFORMANCE MEASURES**

**Council Priority/Goal: COLLABORATION**

**Goal:** Continued partnerships

**Objective:** Strength and enhance recreation services through new and continuing partnerships with other community agencies that optimize the delivery of services to citizens

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Participation with FUSD through shared facility IGA's            | yes                     | yes                     | yes                       | yes                       |
| Participation with County services for Senior Nutrition          | yes                     | yes                     | yes                       | yes                       |
| Participation with AZ Nutrition Network to provide youth classes | yes                     | yes                     | yes                       | yes                       |

**Council Priority/Goal: CAPITAL IMPROVEMENT****Goal:** Plan, design, improve and construct community recreational facilities**Objective:** Implement the Recreation Capital Program by completing the design and construction of identified recreation projects

| <b>Measures:</b>                  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|-----------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Freestyle BMX Facility            | no                      | no                      | yes                       | yes                       |
| Thorpe Park Improvement Project   | no                      | no                      | yes                       | yes                       |
| Aquatic/Multi-generational Center | no                      | no                      | no                        | yes                       |

**Council Priority/Goal: FISCAL HEALTH****Goal:** Promote sound fiscal health by addressing cost recovery levels of recreational programs and services**Objective:** Maintain self-sufficiency percentages

| <b>Measures:</b>                    | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|-------------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Improve gross revenue               | \$572,800               | \$561,492               | \$455,100                 | \$850,400                 |
| Improve self-sufficiency percentage | 33%                     | 29%                     | 23%                       | 37%                       |
| Annual review of fees and charges   | yes                     | yes                     | yes                       | yes                       |

**Council Priority/Goal: QUALITY OF LIFE****Goal:** Enhance the quality of life for the community by providing comprehensive recreation programs and services**Objective:** Increase and/or expand the number of new events and programs annually

| <b>Measures:</b>                  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|-----------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Senior programs, services, events | 3                       | 3                       | 3                         | 3                         |
| Adult programs, services, events  | 0                       | 3                       | 2                         | 4                         |
| Youth programs, services, events  | 1                       | 3                       | 2                         | 3                         |

**PUBLIC WORKS**

**DIVISION 30**

**RECREATION**

| <b>EXPENDITURES BY CATEGORY:</b>   |                                     |                                |  |                                 |                           |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES  | \$ 1,239,875                        | \$ 1,403,670                   | \$ 1,353,426                           | \$ 1,574,902                    | \$ 171,232                |
| CONTRACTUAL  | 372,349                             | 426,845                        | 421,790                                | 457,510                         | 30,665                    |
| COMMODITIES  | 175,223                             | 208,585                        | 206,043                                | 240,005                         | 31,420                    |
| CAPITAL  | 98,693                              | 19,500                         | 47,803                                 | 46,700                          | 27,200                    |
| <b>TOTAL</b>   | <b>\$ 1,886,140</b>                 | <b>\$ 2,058,600</b>            | <b>\$ 2,029,062</b>                    | <b>\$ 2,319,117</b>             | <b>\$ 260,517</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION   | \$ 505,977                          | \$ 431,650                     | \$ 531,428                             | \$ 650,792                      | \$ 219,142                |
| ATHLETIC PROGRAMS  | 142,018                             | 206,457                        | 155,820                                | 228,815                         | 22,358                    |
| PARKS & RECR COMMISSION  | 900                                 | 2,070                          | 840                                    | 2,220                           | 150                       |
| AQUATICS   | 156,330                             | 209,409                        | 183,870                                | 168,446                         | (40,963)                  |
| MURDOCK CENTER   | 31                                  | -                              | -                                      | -                               | -                         |
| FLAGSTAFF RECREATION CNTR  | 265,490                             | 285,440                        | 297,003                                | 318,997                         | 33,557                    |
| ADULT CENTER   | 157,046                             | 233,076                        | 220,740                                | 229,064                         | (4,012)                   |
| COGDILL CENTER   | 157,479                             | 192,115                        | 180,941                                | 199,035                         | 6,920                     |
| YOUTH COMMISSION   | -                                   | 10,435                         | 10,370                                 | 10,435                          | -                         |
| JAY LIVELY ACTIVITY CENTR  | 360,279                             | 432,620                        | 388,605                                | 433,491                         | 871                       |
| COMMUNITY SERVICES/EVENTS  | 56,650                              | 55,328                         | 55,120                                 | 77,822                          | 22,494                    |
| AFTER SCHOOL ANCHOR PROG   | -                                   | -                              | 2,900                                  | -                               | -                         |
| RECREATION GRANTS  | 8,603                               | -                              | 1,425                                  | -                               | -                         |
| DISASTER RECOVERY  | 72,035                              | -                              | -                                      | -                               | -                         |
| FACILITIES ADA CO  | 3,302                               | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>   | <b>\$ 1,886,140</b>                 | <b>\$ 2,058,600</b>            | <b>\$ 2,029,062</b>                    | <b>\$ 2,319,117</b>             | <b>\$ 260,517</b>         |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
| GENERAL FUND   |                                     |                                |  | \$ 2,319,117                    |                           |
|  |                                     |                                |  | <b>\$ 2,319,117</b>             |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| <p>The Recreation operating budget has increased 11% and capital expenditures total \$46,700 resulting in an overall net increase of 13%. Personal Services increase is due to 1.24 FTE staffing additions that include a Senior Recreation Coordinator for the Multi-Gen facility. Contractuals increases are due to increases in Janitorial, Utilities, and Other Miscellaneous Services expenses. Commodities increases are due to Computer and Other Equipment expenses. Major capital (&gt;\$10,000) is \$13,000 for Flag Rec carpet/tile replacement and \$11,300 interior painting.</p> |                                     |                                |  |                                 |                           |

**MISSION**

The Streets Division dedicates its efforts to provide quality service for the ever-growing transportation needs of our community.

- ✓ Applied & received grant from Homeland Security a barricade trailer.
- ✓ Was involved in the Francis Short Pond restoration
- ✓ Completed the Tunnel Springs FUTS construction

**PROGRAM DESCRIPTION**

The Street Division is responsible for maintenance to paved and unpaved streets within the City. Providing street sweeping, snow and ice control, striping, regulatory sign maintenance, pothole patching, drainage maintenance, streetlight and traffic signal maintenance.

**FY 07 NEW INITIATIVES**

- Purchase new 10-wheel dumptruck with the addition of a side wing plow for use on 89N & E. Rte 66.
- Develop a sign inventory program using an Intern to collect and input data.
- Maintain current level of service with the addition of ADOT turnbacks ie, 89N and E. Rte. 66
- Develop specs, evaluate and purchase two new front end loaders
- Develop specs and purchase new street sweeper

**FY 06 ACCOMPLISHMENTS**

- ✓ Installed reclaimed water line to Public Works wash rack.
- ✓ Incorporated into our maintenance routine Pavement Management Software

**PERFORMANCE MEASURES**

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Maintain Sweeping Standards

**Objective:** Keep residential streets swept bi-monthly and respond to accidents within 45 minutes

| <b>Measures:</b>                     | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--------------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Minimize downtown on sweepers        | 96%                     | 80%                     | 95%                       | 95%                       |
| Clean oil spills & traffic accidents | 98%                     | 90%                     | 90%                       | 90%                       |

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Response Time for Pothole Repair

**Objective:** Repair potholes with 24 hours of notice

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Inspect and dispatch patch unit & followup               | 90%                     | 95%                     | 95%                       | 100%                      |
| Complete all 5 patch areas of city within 2 month period | 25%                     | 55%                     | 70%                       | 85%                       |

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** All Highway painting will be refreshed throughout the Spring & Summer Program

**Objective:** Complete all street painting by September 1, 2006

| <b>Measures:</b>                  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|-----------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Red & Yellow Curbs (1/2 the city) | 90%                     | 90%                     | 95%                       | 100%                      |
| Refresh bike symbols              | 10%                     | 20%                     | 20%                       | 50%                       |

**PUBLIC WORKS**

**DIVISION 32**

**STREET MAINTENANCE  
AND REPAIRS**

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Maintain dirt roads in a safe passable condition

**Objective:** Grade dirt streets twice monthly

| <b>Measures:</b>              | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|-------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Grade dirt streets bi-monthly | 90%                     | 90%                     | 90%                       | 95%                       |

| <b>EXPENDITURES BY CATEGORY:</b> | <b>Actual<br/>Expenditures<br/>2004-2005</b> | <b>Adopted<br/>Budget<br/>2005-2006</b> | <b>Estimated<br/>Expenditures<br/>2005-2006</b> | <b>Proposed<br/>Budget<br/>2006-2007</b> | <b>Budget-Budget<br/>Variance</b> |
|----------------------------------|--|---|---|--|-----------------------------------|
| PERSONAL SERVICES                | \$ 1,742,007                                 | \$ 1,955,048                            | \$ 1,592,499                                    | \$ 2,046,876                             | \$ 91,828                         |
| CONTRACTUAL                      | 452,560                                      | 476,687                                 | 375,894   | 473,290                                  | (3,397)                           |
| COMMODITIES                      | 618,539                                      | 728,190                                 | 635,416   | 831,390                                  | 103,200                           |
| CAPITAL                          | 173,256                                      | 516,000                                 | 75,692  | 1,079,000                                | 563,000                           |
| <b>TOTAL</b>                     | <b>\$ 2,986,362</b>                          | <b>\$ 3,675,925</b>                     | <b>\$ 2,679,501</b>                             | <b>\$ 4,430,556</b>                      | <b>\$ 754,631</b>                 |
| <b>EXPENDITURES BY PROGRAM:</b>  |  |   |   |  |                                   |
| GENERAL ADMINISTRATION           | \$ 223,562                                   | \$ 276,497                              | \$ 104,532                                      | \$ 412,905                               | \$ 136,408                        |
| STREET CLEANING                  | 256,439                                      | 306,913                                 | 328,273   | 495,372                                  | 188,459                           |
| SNOW CONTROL                     | 495,472                                      | 963,571                                 | 299,786   | 1,180,104                                | 216,533                           |
| SIGN,SIGNAL,MARK & LIGHT         | 275,863                                      | 334,290                                 | 327,378   | 361,602                                  | 27,312                            |
| STREET MAINTENANCE               | 1,098,231                                    | 1,208,779                               | 1,115,938                                       | 1,245,106                                | 36,327                            |
| DRAINAGE WAY MAINTENANCE         | 163,132                                      | 134,439                                 | 137,050   | 163,872                                  | 29,433                            |
| TRAINING                         | 725  | 1,900                                   | 1,649   | 1,900                                    | -                                 |
| STREET LIGHTS                    | 271,711                                      | 282,770                                 | 216,645   | 282,770                                  | -                                 |
| TRAFFIC SIGNAL MAINTENANC        | 178,362                                      | 166,766                                 | 148,250   | 286,925                                  | 120,159                           |
| DISASTER RECOVERY                | 22,351                                       | -                                       | -   | -  | -                                 |
| WESTRIDGE ROADS                  | 514  | -                                       | -   | -  | -                                 |
| <b>TOTAL</b>                     | <b>\$ 2,986,362</b>                          | <b>\$ 3,675,925</b>                     | <b>\$ 2,679,501</b>                             | <b>\$ 4,430,556</b>                      | <b>\$ 754,631</b>                 |
| <b>SOURCE OF FUNDING:</b>        |  |   |   |  |                                   |
| HIGHWAY USER REVENUE FUND        |  |   |   | \$ 4,430,556                             |                                   |
|                                  |  |   |   | <b>\$ 4,430,556</b>                      |                                   |

**COMMENTARY:**  
 The Streets Maintenance operating budget has increased 6% due to increase in personnel costs for market increases and other employee benefits such as medical and dental insurance increases and costs associated with one new FTE. Other increases are due to increase in cost of petroleum, concrete and utilities. Capital has increased due to carry forward of vehicles and machinery that will not be purchased by June 30th.

**MISSION**

The Airport Division dedicates its efforts to provide quality service for the ever-growing transportation needs of our community.

**PROGRAM DESCRIPTION**

The Airport Division operates and maintains Flagstaff Pulliam Airport. The Airport is certificated as a non-hub air carrier and general aviation airport by the Federal Aviation Administration (FAA). Responsibilities of the division include administration, safety, operations, and maintenance of all buildings and pavements with federal mandates to provide aircraft rescue/fire-fighting, medical response, and security. Other services are provided through lease agreements with the direct service providers, (i.e. airlines, car rental agencies, fixed base operators, and other concessionaires). The division is also developing the Airport Business Park.

**FY 06 ACCOMPLISHMENTS**

- ✓ Completed construction of aircraft storage hangars thus reducing the number of aircrafts forced to be stored outdoors and increasing based aircrafts.
- ✓ Completed overlay of the airport runway utilizing an ADOT grant. The project will preserve the surface and enhance safety.

- ✓ Completed new Airport Master Plan, FAR Part 150 Noise Impact Study.
- ✓ Completed construction of new airport operations and fire facility.
- ✓ Completed runway extension Environmental Assesment with a finding of no significant impact from the FAA.
- ✓ Private development in the Airport Business Park included the construction of Pulliam LLC phases 3&4, lease and construction of the FBI facility, and sale of land to Air Zona for construction of an engineering company.

**FY 07 NEW INITIATIVES**

- Lease additional property in the Airpark for private development.
- Complete reconstruction of John Wesley Powell Blvd. from Shamrell Blvd. to Pulliam Drive.
- Design runway extension and acquire grant for its construction.
- Rent additional office space on airport and in terminal building to increase revenue.
- Complete fibre optic cable installation in airpark and terminal building.

**PERFORMANCE MEASURES**

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Meet FAA regulations for Aircraft Rescue/Fire Fighting and medical responses

**Objective:** Respond within 3 minutes.

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Percentage of calls responded to within 3 minutes. | 100             | 100             | 100               | 100               |

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Keep the airport open and maintain safe operations during snow events

**Objective:** Commence snow removal operations on time and have the airport opened by 07:00 during snow events.

| Measures:                                  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Percentage of time airport opened by 07:00 | 99              | 100             | 100               | 100               |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Keep airport facilities and equipment operational.

**Objective:** Commence or complete repairs within 24 hours of notification

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Percent of time repairs are completed or commenced within 24 hours of notification | 90                      | 100                     | 100                       | 100                       |

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** Increase airport revenues

**Objective:** Lease additional space on airport

| <b>Measures:</b>                        | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Percentage of airport revenue increases | +9                      | +5                      | +5                        | +5                        |

| <b>EXPENDITURES BY CATEGORY:</b> |                                     |                                |  |                                 |                           |
|----------------------------------|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|                                  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES                | \$ 549,639                          | \$ 584,501                     | \$ 571,049                             | \$ 673,261                      | \$ 88,760                 |
| CONTRACTUAL                      | 269,021                             | 277,657                        | 242,100                                | 316,017                         | 38,360                    |
| COMMODITIES                      | 88,308                              | 105,582                        | 96,344                                 | 129,062                         | 23,480                    |
| CAPITAL                          | 664,291                             | -                              | -                                      | 85,900                          | 85,900                    |
| <b>TOTAL</b>                     | <b>\$ 1,571,259</b>                 | <b>\$ 967,740</b>              | <b>\$ 909,493</b>                      | <b>\$ 1,204,240</b>             | <b>\$ 236,500</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION           | \$ 476,560                          | \$ 430,823                     | \$ 409,167                             | \$ 469,299                      | \$ 38,476                 |
| SAFETY AND SECURITY              | 104,844                             | 75,706                         | 74,641                                 | 115,414                         | 39,708                    |
| SNOW CONTROL                     | 52,193                              | 61,147                         | 61,079                                 | 86,480                          | 25,333                    |
| MAINT BLDGS AND GROUNDS          | 269,989                             | 325,925                        | 291,015                                | 436,614                         | 110,689                   |
| MAINT RUNWAY & TAXIWAY           | 75,077                              | 73,039                         | 73,291                                 | 96,133                          | 23,094                    |
| AIRPORT COMMISSION               | 585,607                             | 1,100                          | 300                                    | 300                             | (800)                     |
| DISASTER RECOVERY                | 6,989                               | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>                     | <b>\$ 1,571,259</b>                 | <b>\$ 967,740</b>              | <b>\$ 909,493</b>                      | <b>\$ 1,204,240</b>             | <b>\$ 236,500</b>         |
| <b>SOURCE OF FUNDING:</b>        |                                     |                                |  |                                 |                           |
| AIRPORT FUND                     |                                     |                                |  | \$ 1,204,240                    |                           |
|                                  |                                     |                                |  | <b>\$ 1,204,240</b>             |                           |

**COMMENTARY:**  
 The Airport operating budget has increased 16% and capital expenditures total \$85,900 resulting in an overall net increase of 24%. Personal Services increases are due to .5 FTE staffing addition that include the Maintenance Worker II position. In addition there is a 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractuals increases are due to increases in Maintenance, Custodial, and Rent expenses. Commodities increases are due to Equipment, Motor Vehicle, Materials & Supplies, and Other Operating Supplies expenses. Major capital (>\$10,000) includes \$57,900 for a mowing tractor and \$28,000 for a pick up with snow plow.

**MISSION**

The Environmental Services division is comprised of a valuable team of professionals committed to providing the greater Flagstaff community with progressive management strategies that emphasize customer service, environmental management, waste reduction, refuse and recycling collection, and sound landfill management. In partnership with citizens and agencies, we embrace the concepts of sustainability, pollution prevention and conservation of energy and natural resources.

**PROGRAM DESCRIPTION**

The Environmental Services division provides the citizens of Flagstaff the best refuse and recycling service; a progressive, community-based conservation program, and an Environmental Management and Landfill program that strive to be models in the industry. We accomplish our goals through a team of professionals committed to collaboration, excellent customer service, and the value of our community's quality of life.

**FY 06 ACCOMPLISHMENTS**

- ✓ Facilitated the renewal of a 10-year IGA with the City of Prescott for the delivery of recyclables.
- ✓ Facilitated the creation of a 10 year IGA with NAU for the collection of a trash and recyclables from campus.
- ✓ Met the annual minimum recycling tonnage to Norton environmental for the first time since the programs inception.
- ✓ Prepared \$403,300 of grant proposals to the U.S. EPA and Arizona Department of Environmental Quality for Brownfield redevelopment projects.
- ✓ Initiated Brownfield site assessment activities for the Downtown Gateway East Project.
- ✓ Towed over 100 junked or abandoned vehicles from residential properties, sponsored over 40 voluntary cleanups, and removed over 15 abandoned transient camps within City limits.
- ✓ Completed Compost Market Analysis to define project parameters and meet potential market outlets.

- ✓ Awarded new Industrial Hygiene and Environmental Consulting Services contracts.
- ✓ Awarded new hazardous waste disposal contract for household and city-generated hazardous wastes.
- ✓ Remediation of the flooding event at the landfill in January of 2005.
- ✓ Extension and realignment of landfill haul road.
- ✓ Reconstruction and reinforcement of Phase I of the 25-foot litter fence.
- ✓ Construction of Phase III of the 25-foot litter fence.
- ✓ Hosted SWANA State collections/landfill Road E O.
- ✓ Installation of upgraded Auto Scale software.
- ✓ Completed the emergency tree limb removal from City streets and businesses.
- ✓ Tracked and documented information from Emergency Cleanup for reimbursement by FEMA and State agencies of \$131,530.
- ✓ Awarded the City Manager's Excellence Agassiz Award for Teamwork.
- ✓ Created a safety awareness program to reduce the number of chargeable accidents.

**FY 07 NEW INITIATIVES**

- Implementation of the Route 66 Central Corridor Brownfield Inventory and Assessment.
- Development and implementation of a City of Flagstaff Sidewalk Maintenance Enforcement Program.
- Creation of new Small Business Waste Acceptance Program for the proper disposition of hazardous waste for small local businesses.
- Develop Landfill Residential Drop Off Center - Standard Operating Procedures.
- Develop and implement an Equipment Maintenance Facility/Fuel Station Operating Plan in conjunction with Fleet Services.
- Develop and implement a new comprehensive landfill construction sequencing plan.
- Increase and expand the employee development program.
- Improve on customer service components.
- Combine landfill and collections personnel resources to provide 7 day phone coverage.

## PERFORMANCE MEASURES

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** Increase the overall tonnage of recyclable and hazardous materials collected by the Environmental Services Division.

**Objective:** Increase tonnages collected from Flagstaff residents and businesses by 5% annually.

| Measures:                                     | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Residential recycling tonnage                 | 4,721 tons      | 5,299 tons      | 5,563 tons        | 5,842 tons        |
| Commercial recycling tonnage                  | 4,392 tons      | 4,653 tons      | 4,885 tons        | 5,130 tons        |
| Hazardous waste tonnage including electronics | 83 tons         | 91 tons         | 95 tons           | 99 tons           |

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Create and implement a Safety Awareness Program.

**Objective:** Decrease number of chargeable accidents by 25% annually.

| Measures:            | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|----------------------|-----------------|-----------------|-------------------|-------------------|
| Chargeable Accidents | 7               | 4               | 3                 | 2                 |

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** Develop and implement an Equipment Maintenance Facility/Fuel Station Operating Plan in conjunction with Fleet Services.

**Objective:** Reduce landfill expenses associated with equipment maintenance and fueling.

| Measures:  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Reduce fuel costs by installing a tank and using Red Dye diesel. | N/A             | N/A             | \$ -16,000        | \$ -50,000        |
| Reduce costs associated with maintenance of equipment.           | N/A             | N/A             | \$ -5,000         | \$ -15,000        |

**Council Priority/Goal: PLANNING FOR GROWTH**

**Goal:** Develop and implement a new comprehensive landfill construction sequencing plan.

**Objective:** Identify expected alternate and on-site daily cover volumes; identify remaining airspace; calculate waste compaction rates; project waste volume growth and cost analysis per ton by waste product; build a Profit/Loss statement.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Provide numbers for projections for a short term and long term operating plan for the landfill. | N/A             | N/A             | 100%              | N/A               |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Establish and meet new timeline standards for complaints, service requests and phone calls.

**Objective:** Improve on customer service standards to increase Customer Service Satisfaction score from 88% to 93%.

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Reduce complaint call response time to 24 hours.  | N/A             | N/A             | 100%              | N/A               |
| Reduce average service request time to 48 hours   | N/A             | N/A             | 100%              | N/A               |
| Increase phone coverage to hours of operation for City hall and Saturday and Sunday coverage. | N/A             | N/A             | 100%              | N/A               |

**PUBLIC WORKS**

**DIVISION 41**

**ENVIRONMENTAL SERVICES**

| <b>EXPENDITURES BY CATEGORY:</b>   |                                     |                                |  |                                 |                           |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES  | \$ 2,836,619                        | \$ 3,169,949                   | \$ 3,217,176                           | \$ 3,710,361                    | \$ 540,412                |
| CONTRACTUAL  | 3,007,163                           | 2,638,031                      | 2,666,675                              | 2,815,026                       | 176,995                   |
| COMMODITIES  | 1,038,580                           | 1,043,691                      | 1,203,967                              | 1,333,066                       | 289,375                   |
| CAPITAL  | 1,211,342                           | 3,087,620                      | 1,587,194                              | 3,725,873                       | 638,253                   |
| <b>TOTAL</b>   | <b>\$ 8,093,704</b>                 | <b>\$ 9,939,291</b>            | <b>\$ 8,675,012</b>                    | <b>\$ 11,584,326</b>            | <b>\$ 1,645,035</b>       |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION   | \$ 504,200                          | \$ 778,519                     | \$ 746,919                             | \$ 980,821                      | \$ 202,302                |
| RESIDENTIAL COLLECTION   | 1,587,705                           | 1,659,323                      | 1,533,602                              | 2,270,586                       | 611,263                   |
| COMMERCIAL COLLECTION  | 1,493,436                           | 1,874,198                      | 1,556,421                              | 2,272,021                       | 397,823                   |
| SANITARY LANDFILL  | 1,554,206                           | 2,737,789                      | 2,177,447                              | 2,564,962                       | (172,827)                 |
| BIN MAINT-RESIDENTIAL  | 31,788                              | 75,134                         | 45,604                                 | 72,977                          | (2,157)                   |
| BIN MAINT-COMMERCIAL   | 60,595                              | 103,754                        | 85,470                                 | 175,773                         | 72,019                    |
| HOIST & HAUL   | 245,438                             | 276,634                        | 285,763                                | 494,221                         | 217,587                   |
| RECYCLING-LANDFILL   | 100,260                             | 97,608                         | 97,911                                 | 105,380                         | 7,772                     |
| HOUSEHOLD HAZ WASTE COLL   | 117,272                             | 168,513                        | 160,201                                | 195,990                         | 27,477                    |
| RECYCLING - CURBSIDE COLL  | 733,568                             | 771,415                        | 787,445                                | 839,733                         | 68,318                    |
| INERT MATERIAL LANDFILL  | 17,667                              | 48,395                         | 30,052                                 | 38,832                          | (9,563)                   |
| COMMERCIAL RECYCLING   | 419,179                             | 660,104                        | 435,976                                | 922,505                         | 262,401                   |
| TREE DEBRIS REMOV  | 80,446                              | -                              | -                                      | -                               | -                         |
| BROWNFIELD   | 17                                  | 120,454                        | 114,952                                | 132,857                         | 12,403                    |
| CONSERVATION EDUCATION   | 56,100                              | 101,002                        | 91,280                                 | 78,570                          | (22,432)                  |
| ENVIRONMENTAL MANAGEMENT   | 196,007                             | 247,415                        | 221,951                                | 237,490                         | (9,925)                   |
| ENVIRONMENTAL CODE ENFORC  | 67,117                              | 110,974                        | 103,680                                | 113,648                         | 2,674                     |
| COMMERCIAL SALES   | 3,982                               | 8,060                          | 8,060                                  | 7,960                           | (100)                     |
| COUNTY - HOIST AND HAUL  | 1,071                               | -                              | -                                      | -                               | -                         |
| PW YARD FIRE DAMAGE REPL   | 70,911                              | 100,000                        | 192,278                                | -                               | (100,000)                 |
| LANDFILL SITE IMP  | 479,540                             | -                              | -                                      | 80,000                          | 80,000                    |
| MRF ENTRY IMPROVE  | 273,199                             | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>   | <b>\$ 8,093,704</b>                 | <b>\$ 9,939,291</b>            | <b>\$ 8,675,012</b>                    | <b>\$ 11,584,326</b>            | <b>\$ 1,645,035</b>       |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
| ENVIRONMENTAL SERVICES FUND  |                                     |                                |  | \$ 11,584,326                   |                           |
|  |                                     |                                |  | <b>\$ 11,584,326</b>            |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| <p>The Environmental Services operating budget has increased 15% and capital expenditures total \$3,725,873 resulting in an overall net increase of 17%. Personal Services increases are due to new staffing, the 9% pay plan adjustment and increases in Arizona State Retirement, health insurance, and dental insurance. Contractuals increases are due to increased costs related to utilities, education and training. Commodities increases are due to increases in fuel costs and fleet related charges. One-time expenditures for this division are mainly capital items. Major capital (&gt;\$10,000) includes capital equipment, as well as capital improvements ongoing at the landfill. Refer to Schedules 8 and 9 for a detailed listing.</p> |                                     |                                |  |                                 |                           |

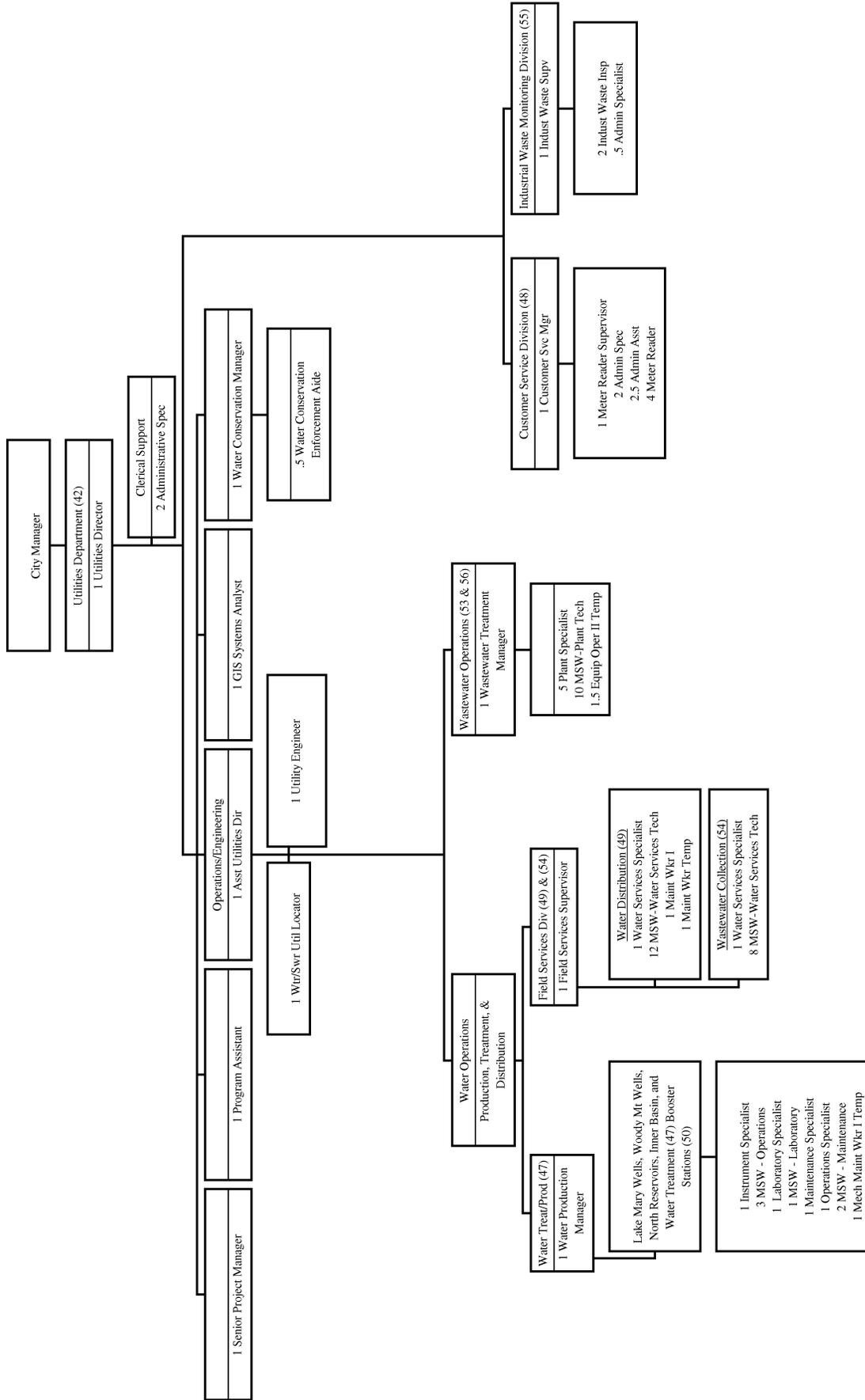
## ***UTILITIES DEPARTMENT MISSION***

The mission of the **Utilities Department** is to professionally and cost effectively provide water and wastewater services that meet the present and future environmental, health, and safety needs of the community and our co-workers.

We are committed to a goal of 100% customer satisfaction. This will be achieved by a dedication to exceed customer expectations by continuously improving our operations.

We value our co-workers and strive to maintain high motivation by providing an environment that encourages improvement and teamwork.

# Utilities



**MISSION**

The mission of the Utilities Department is to professionally and cost effectively provide water and wastewater services that meet the present and future environmental, health, and safety needs of the community and our co-workers. We are committed to a goal of 100% customer satisfaction. This will be achieved by a dedication to exceed customer expectations by continuously improving our operations. We value our co-workers and strive to maintain high motivation by providing an environment that encourages improvement and teamwork.

**PROGRAM DESCRIPTION**

Coordinates activities of the Utilities Department. Administers the department safety program, water conservation program, Water Commission activities, City Change Order Committee, and acts as Forest Service liaison. Provides representation for the City of Flagstaff to various planning groups such as the Technical Advisory Group for the Coconino Plateau Water Advisory Council and the Technical Advisory Committee for the National Park service/U.S. Forest Service Lake Mary Watershed planning group. Reviews proposed water legislation and provides input to Council and legislators. Represents the City of Flagstaff on the Northern Arizona Water Users Association. Assesses Utilities capital improvements needs, prioritizes needs, and provides project management engineering services for capital improvement projects. Administers water and sewer computer modeling activities for the City and new developments. Provides Blue Stake locating services. Investigates customer, staff, and City Council inquiries and follows up on complaints. Provides permit administration for NPDES, APP, Reuse, and other

permits as required. Reviews new developments and represents the Department on a multitude of various committees. Provides all clerical services for the Department and Utilities GIS services for the City.

**FY 06 ACCOMPLISHMENTS**

- ✓ Purchased Red Gap Ranch to be available as a future source of water supply to the City of Flagstaff.
- ✓ Updated Utilities Capital Improvement Program
- ✓ Hired a Program Administrator for NAMWUA.
- ✓ Received Water Conservation Award from the Bureau of Reclamation
- ✓ Revised Recapture Ordinance and presented to various stakeholders and City Council
- ✓ Developed a Water Acquisition Impact Fee and presented to City Council
- ✓ Updated Capacity Fees and presented to City Council
- ✓ Filled division head vacancies in Industrial Waste, Customer Service, and Wastewater Treatment.
- ✓ Completed construction of City's obligation for reclaimed water system to serve Flagstaff Mall
- ✓ Brought together the Navajo and Hopi as a consortium with Flagstaff to discuss groundwater issues

**FY 07 NEW INITIATIVES**

- Establish management for Red Gap Ranch
- Continue groundwater development program
- Resolve cost problems with the Wildcat Wastewater Improvement Project and begin construction.

**PERFORMANCE MEASURES**

**Council Priority/Goal: PLANNING FOR GROWTH**

**Goal:** Provide uninterrupted water and sewer service to the citizens of Flagstaff

**Objective:** Insure water and sewer infrastructure is adequate for new development

**Measures:**

|   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Water and sewer impact analyses performed | 19                      | 16                      | 16                        | 16                        |
| Capital projects managed                  | 14                      | 18                      | 18                        | 18                        |
| Number of system-wide water curtailments  | 0                       | 0                       | 0                         | 0                         |
| Per capita water use                      | 121                     | 117                     | 117                       | 117                       |

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** Provide a rate structure to meet the financial needs of the utility

**Objective:** Update rates on a regular basis

| <b>Measures:</b>                               | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Review rates with internal rate model          | Yes                     | Yes                     | Yes                       | Yes                       |
| Update rate model to accomodate system changes | No                      | No                      | Yes                       | No                        |
| Update user fees, impact fees                  | Yes                     | Yes                     | Yes                       | Yes                       |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Exceed customer's water and wastewater service expectations

**Objective:** Reduce water outage hours (repairs) and number of public sewer blockages

| <b>Measures:</b>       | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Water outage hours     | 1,724                   | 1705                    | 1,700                     | 1,650                     |
| Public sewer blockages | 41                      | 32                      | 28                        | 24                        |

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Provide safe drinking water and wastewater

**Objective:** No permit violations

| <b>Measures:</b>                    | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|-------------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Number drinking water violations    | 5                       | 6                       | 0                         | 0                         |
| Number wastewater permit violations | 1                       | 1                       | 0                         | 0                         |

**UTILITIES**

**DIVISION 42**

**ADMINISTRATION**

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 709,101                          | \$ 771,162                     | \$ 789,397                             | \$ 845,190                      | \$ 74,028                 |
| CONTRACTUAL   | 217,413                             | 499,194                        | 464,646                                | 267,576                         | (231,618)                 |
| COMMODITIES   | 46,263                              | 56,017                         | 62,605                                 | 50,755                          | (5,262)                   |
| CAPITAL   | 21,691                              | 10,780                         | -                                      | 10,780                          | -                         |
| <b>TOTAL</b>  | <b>\$ 994,468</b>                   | <b>\$ 1,337,153</b>            | <b>\$ 1,316,648</b>                    | <b>\$ 1,174,301</b>             | <b>\$ (162,852)</b>       |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 538,828                          | \$ 749,537                     | \$ 736,500                             | \$ 595,245                      | \$ (154,292)              |
| WATER COMMISSION  | 600                                 | 3,055                          | 2,795                                  | 2,795                           | (260)                     |
| CITY WTR SYSTEM ANALYSIS  | 10,736                              | 5,816                          | 8,487                                  | 7,585                           | 1,769                     |
| FIXED ASSET INVENTORY   | -                                   | 14,816                         | 14,816                                 | 16,186                          | 1,370                     |
| CITY SWR SYSTEM ANALYSIS  | 4,349                               | 13,187                         | 12,705                                 | 9,690                           | (3,497)                   |
| ENGINEERING   | 316,528                             | 302,185                        | 363,781                                | 294,446                         | (7,739)                   |
| BLUE STAKE  | 14,700                              | (1,789)                        | (2,209)                                | (4,875)                         | (3,086)                   |
| WATER CONSERVATION  | 102,931                             | 163,407                        | 167,960                                | 153,054                         | (10,353)                  |
| GIS-UTILITIES   | -                                   | 76,159                         | 11,813                                 | 89,395                          | 13,236                    |
| WILDLIFE VIEWING AREA   | 5,796                               | 10,780                         | -                                      | 10,780                          | -                         |
| <b>TOTAL</b>  | <b>\$ 994,468</b>                   | <b>\$ 1,337,153</b>            | <b>\$ 1,316,648</b>                    | <b>\$ 1,174,301</b>             | <b>\$ (162,852)</b>       |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| WATER AND WASTEWATER FUND   |                                     |                                |  | \$ 1,174,301                    |                           |
|   |                                     |                                |  | <b>\$ 1,174,301</b>             |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| <p>The Utilities Administration operating budget has decreased 12% and capital expenditures total \$10,780, resulting in an overall decrease of 12%. Personal Services increases are due to a 9% pay plan adjustment, and increases in ASRS, health insurance, and dental insurance. Contractual decreases are primarily due to prior year consulting and legal fees. The small decrease in Commodities is due to prior year one-time items. One-time items in this division are \$4,650 for Sewer Gen software upgrade, \$10,000 for Wildlife Viewing Area, and \$8,775 for VB Programming training.</p> |                                     |                                |  |                                 |                           |

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**PROGRAM DESCRIPTION**

The Lake Mary Water Treatment Plant provides conventional surface water treatment for waters from Upper Lake Mary. Staff is responsible for the operation of the Water Plant and all other water production facilities including: Lake Mary Wellfield, Woody Mountain Wellfield, the Inner Basin wells and springs, local wells, and the Reservoir Filtration Plant. Staff also operates and maintains system water tanks and booster stations (Division 50). The State certified Compliance Lab provides analysis for process control and water sampling for compliance.

This Division cost effectively produces water that meets all Safe Drinking Water Act requirements. It manages the quantity of stored water to provide flows to customers, with an adequate reserve for fire fighting. It teaches public awareness of the water system through educational programs and demonstrations.

**FY 06 ACCOMPLISHMENTS**

- ✓ Cost savings and groundwater recharge accomplished by maximizing Surface water due to Lake Mary being full.
- ✓ APSES implements cost saving strategies by retrofitting motors and lights throughout the Production System.
- ✓ Reservoirs on Shultz Pass Rd. are rehabed to comply with State requirements.
- ✓ Performed major overhaul of flocculation section of treatment basin #2.
- ✓ Rehabbed motor control center at WM #5 and LM #2.
- ✓ Installed new aeration line in Upper Lake Mary for Lake mixing and manganese control.
- ✓ Purchased electric car for plant site trips, highly successful.

**FY 07 NEW INITIATIVES**

- Implement Skill Based Pay (multi skilled workers) for Production staff.
- Have all groundwater sources functional and anticipate using them predominately due to poor winter.
- Update and upgrade SCADA system for State compliance and long term reliability.
- Rio Well operational with added function in the building of dispensing reclaim water.

**PERFORMANCE MEASURES**

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Insure all instrumentation and reporting devices are working properly

**Objective:** Reduce the amount of monitoring violations

**Measures:**

|   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Number of tests performant                            | 1256                    | 1590                    | 1500                      | 1550                      |
| Number of Safe Drinking Water Violations (monitoring) | 5                       | 3                       | 3                         | 0                         |

**Council Priority/Goal: CAPITAL IMPROVEMENT**

**Goal:** Replace aged infrastructure that becomes inoperative and lessens supply.

**Objective:** Install Inner Basin pipe

| <b>Measures:</b>       | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Feet of pipe installed | 4110                    | 3160                    | 2640                      | 2640                      |

**Council Priority/Goal: PLANNING FOR GROWTH**

**Goal:** Expand current supply network for increased capacity

**Objective:** New wells, booster stations, rehabilitated wells, increased efficiency

| <b>Measures:</b>            | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|-----------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Expanded capacity           | 1                       | 0                       | 1                         | 2                         |
| New and reconditioned wells | 1                       | 1                       | 1                         | 1                         |
| Booster stations and tanks  | 1                       | 0                       | 1                         | 1                         |

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** Water as a good value: Cost conscious, environmentally aware.

**Objective:**

| <b>Measures:</b>                 | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|----------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Gallons produced                 | 2688                    | 2658                    | 2700                      | 3000                      |
| Cost per 1000 gallons to produce | 1.04                    | .94                     | 1.15                      | 1.2                       |

**UTILITIES**

**DIVISION 47**

**LAKE MARY WATER  
TREATMENT PLANT**

| <b>EXPENDITURES BY CATEGORY:</b> |                                     |                                |  |                                 |                           |
|----------------------------------|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|                                  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES                | \$ 593,330                          | \$ 715,493                     | \$ 684,661                             | \$ 700,701                      | \$ (14,792)               |
| CONTRACTUAL                      | 1,373,710                           | 2,144,320                      | 1,891,235                              | 2,267,820                       | 123,500                   |
| COMMODITIES                      | 323,000                             | 283,313                        | 337,300                                | 312,964                         | 29,651                    |
| CAPITAL                          | 185,458                             | 887,025                        | 372,619                                | 772,405                         | (114,620)                 |
| <b>TOTAL</b>                     | <b>\$ 2,475,498</b>                 | <b>\$ 4,030,151</b>            | <b>\$ 3,285,815</b>                    | <b>\$ 4,053,890</b>             | <b>\$ 23,739</b>          |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION           | \$ 380,660                          | \$ 414,569                     | \$ 425,181                             | \$ 430,532                      | \$ 15,963                 |
| WATER TREATMENT OPERATION        | 242,299                             | 267,924                        | 328,124                                | 286,744                         | 18,820                    |
| CHEMICAL ANALYSIS                | 182,975                             | 229,855                        | 230,790                                | 253,714                         | 23,859                    |
| BLDGS & GROUNDS MAINT            | 64,469                              | 272,190                        | 85,164                                 | 257,459                         | (14,731)                  |
| EQUIPMENT MAINTENANCE            | 195,470                             | 212,325                        | 275,178                                | 156,068                         | (56,257)                  |
| USFS LAKE MARY CONTRACT          | 8,860                               | 8,860                          | 8,860                                  | 8,860                           | -                         |
| UPPER LAKE MARY DAM IMP          | 3,156                               | 21,000                         | 20,983                                 | 21,000                          | -                         |
| SEDMNTION BASIN MODS (90)        | -                                   | 15,000                         | 15,000                                 | 15,000                          | -                         |
| SCADA TRACKING                   | 28,855                              | 25,350                         | 20,458                                 | 35,350                          | 10,000                    |
| FOXGLEN WELL                     | 130                                 | -                              | -                                      | -                               | -                         |
| CONTINENTAL WELL                 | 54                                  | -                              | -                                      | -                               | -                         |
| LOCAL WELLS                      | 390,703                             | 543,416                        | 514,302                                | 556,416                         | 13,000                    |
| LAKE MARY WELLFIELDS             | 264,798                             | 614,244                        | 530,495                                | 449,493                         | (164,751)                 |
| WOODY MOUNTAIN WELLFIELD         | 616,099                             | 834,597                        | 644,500                                | 881,563                         | 46,966                    |
| NORTH RESERVOIRS                 | 28,372                              | 73,265                         | 60,385                                 | 63,467                          | (9,798)                   |
| INNER BASIN DEVELOPMENT          | 54,042                              | 135,524                        | 100,195                                | 210,809                         | 75,285                    |
| INNER BASIN PIPELINE             | 14,556                              | 362,032                        | 26,200                                 | 427,415                         | 65,383                    |
| <b>TOTAL</b>                     | <b>\$ 2,475,498</b>                 | <b>\$ 4,030,151</b>            | <b>\$ 3,285,815</b>                    | <b>\$ 4,053,890</b>             | <b>\$ 23,739</b>          |
| <b>SOURCE OF FUNDING:</b>        |                                     |                                |  |                                 |                           |
| WATER AND WASTEWATER FUND        |                                     |                                |  | \$ 4,053,890                    |                           |
|                                  |                                     |                                |  | <b>\$ 4,053,890</b>             |                           |

**COMMENTARY:**

The Lake Mary Water Treatment Plant operating budget has increased 4% and capital expenditures total \$772,405 resulting in an overall increase of 1%. Personal Services has decreased due to a retirement payout and new staff replacement. This decrease was partially offset by a 9% pay plan adjustment and increases in ASRS, health insurance, and dental insurance. Contractuals increase is due to utilities, gas & oil, and consultants. Commodities increases are due to chemicals, various pieces of equipment, and materials for road repairs. One-time expenditures for this division are consultants (\$15,000) to solve re-occurring trending problems. Major capital (>\$10,000) includes \$60,000 boom truck, \$20,000 Lake Mary Wellfields, \$32,000 Composting Toilets, \$20,000 Upper Lake Mary Dam Rehab, \$401,000 Inner Basin Pipeline, \$193,125 Water Plant Remodel & \$17,780 for Reservoir Filtration Plant Roof.

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**PROGRAM DESCRIPTION**

Customer Service is responsible for meter reading, water and sewer billing, and collection of delinquent accounts including the disconnection and lock off of water service for unpaid billings and non-sufficient fund checks for the Utilities Department. Unusually high or

low water consumption is investigated and inactive meters are monitored for possible consumption. This division is also responsible for cashiering operations for most City departments and for the calculation and collection of utility system fees for all new or added construction.

**FY 06 ACCOMPLISHMENTS**

- ✓ Expanded the acceptance of credit card payment to other City services.
- ✓ Installed bill scanners at all Cashier windows.
- ✓ Only one injury accident during calendar year 2005.

**FY 07 NEW INITIATIVES**

- Purchase new data collector to improve the electronic reading of meters and identify the meters that may be faulty and not providing a signal.
- Set up Inter-department billing to charge other City accounts directly from the Utility system, thus discontinuing the need for Accounts Payable to process a check.

**PERFORMANCE MEASURES**

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** Limit the amount of accounts written off.

**Objective:** Timely collections of past due accounts and adequate deposits to reduce amount of receivables to write off.

| <b>Measures:</b>  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Collection activity (delinquent accounts/total accounts)      | 3.2 %                   | 2.9%                    | 4.0 %                     | 4.0 %                     |
| Annual write off of customer accounts, excluding bankruptcies | \$43,150                | \$36,853                | \$35,000                  | \$35,000                  |
| Write offs as a percentage of total billed                    | 0.21%                   | 0.17%                   | 0.20%                     | 0.20%                     |

**Council Priority/Goal: ORGANIZATIONAL SUPPORT**

**Goal:** Provided employees with proper training for safety and technical aspect of their positions.

**Objective:** We will improve our employees' safety records and knowledge by providing the necessary training.

| <b>Measures:</b>                              | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Safety training hours provided to staff       | 38                      | 23                      | 75                        | 75                        |
| Technical/Computer training provided to staff | 196                     | 61                      | 200                       | 200                       |
| Number of injury accidents                    | 3                       | 1                       | 0                         | 0                         |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Provide timely and accurate billings.

**Objective:** Reduce estimated meter reads and bill in a timely manner.

| Measures:  | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Percent of estimated meter reads   | 2.93%        | 8.11%        | 2.90%          | 2.00%          |
| Number of cycle bills sent out within 34 days of prior bill. (36 total cycles) | n/a          | 35           | 36             | 36             |
| Average number of days between bills   | n/a          | 30.44        | 31.00          | 31.00          |

| EXPENDITURES BY CATEGORY: |                               |                          |                                  |                           |                        |
|---------------------------|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
|                           | Actual Expenditures 2004-2005 | Adopted Budget 2005-2006 | Estimated Expenditures 2005-2006 | Proposed Budget 2006-2007 | Budget-Budget Variance |
| PERSONAL SERVICES         | \$ 463,848                    | \$ 508,437               | \$ 507,335                       | \$ 524,039                | \$ 15,602              |
| CONTRACTUAL               | 121,582                       | 171,690                  | 157,675                          | 202,590                   | 30,900                 |
| COMMODITIES               | 27,574                        | 99,695                   | 83,274                           | 72,500                    | (27,195)               |
| CAPITAL                   | -                             | 6,000                    | -                                | 37,500                    | 31,500                 |
| <b>TOTAL</b>              | <b>\$ 613,004</b>             | <b>\$ 785,822</b>        | <b>\$ 748,284</b>                | <b>\$ 836,629</b>         | <b>\$ 50,807</b>       |

| EXPENDITURES BY PROGRAM: |                               |                          |                                  |                           |                        |
|--------------------------|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
|                          | Actual Expenditures 2004-2005 | Adopted Budget 2005-2006 | Estimated Expenditures 2005-2006 | Proposed Budget 2006-2007 | Budget-Budget Variance |
| GENERAL ADMINISTRATION   | \$ 123,959                    | \$ 212,947               | \$ 231,945                       | \$ 201,178                | \$ (11,769)            |
| FIELD READING            | 149,508                       | 202,934                  | 172,110                          | 244,439                   | 41,505                 |
| COLLECTION               | 67,466                        | 76,762                   | 81,916                           | 81,480                    | 4,718                  |
| CUSTOMER SERVICE         | 272,071                       | 293,179                  | 262,313                          | 309,532                   | 16,353                 |
| <b>TOTAL</b>             | <b>\$ 613,004</b>             | <b>\$ 785,822</b>        | <b>\$ 748,284</b>                | <b>\$ 836,629</b>         | <b>\$ 50,807</b>       |

| SOURCE OF FUNDING:          |                               |                          |                                  |                           |                        |
|-----------------------------|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
|                             | Actual Expenditures 2004-2005 | Adopted Budget 2005-2006 | Estimated Expenditures 2005-2006 | Proposed Budget 2006-2007 | Budget-Budget Variance |
| GENERAL FUND                |                               |                          |                                  | \$ 14,932                 |                        |
| LIBRARY FUND                |                               |                          |                                  | 1,195                     |                        |
| HIGHWAY USER REVENUE FUND   |                               |                          |                                  | 3,503                     |                        |
| WATER AND WASTEWATER FUND   |                               |                          |                                  | 656,124                   |                        |
| STORMWATER FUND             |                               |                          |                                  | 9,812                     |                        |
| AIRPORT FUND                |                               |                          |                                  | 725                       |                        |
| ENVIRONMENTAL SERVICES FUND |                               |                          |                                  | 150,338                   |                        |
|                             |                               |                          |                                  | <b>\$ 836,629</b>         |                        |

**COMMENTARY:**  
 The Customer Service operating budget has increased 2% and capital expenditures total \$37,500 resulting in an overall net increase of 6%. Personal Services increases are due to a 9% pay plan adjustment and increases in ASRS, health insurance, and dental insurance. Contractuals increases are due to credit card fees. Commodities decreases are due to prior year 1 time expenditure for software. One-time items are \$4,500 for Security system for cashier area and \$2,500 for design work for the in house bill printing. The capital of \$37,500 is for a data collector.

**MISSION**

The mission of the Utilities Department/ Water Distribution Division is to professionally and cost effectively provide water services that meet the present and future environmental, health and safety needs of the community and our co-workers.

**PROGRAM DESCRIPTION**

The Water Distribution system operators safely and efficiently operate, maintain and repair all water distribution lines, fire hydrants, pressure reducing stations and meters, supplying each customer with a sufficient volume of water at adequate pressures, throughout our varying elevations and pressure zones.

**FY 06 ACCOMPLISHMENTS**

- Worked with public and private engineers, contractors and customers, coordinating a wide variety of public and private development projects including: The Butler Ave waterline, Empire Ave Extension, Sunnyside Phase III A, Amberwood Booster Station and the 4<sup>th</sup> St. Railroad Crossing Phase II.

- Achieved our goal of installing 2000 radio read meters throughout our community. Enhancing customer service by providing a safe, estimate free billing process, while increasing our overall efficiency and lowering operating costs.
- Continued to update our water and sewer atlas, our CMMS (Computer Maintenance management System) and the GIS system, giving our city staff the most up to date information when planning, designing and dealing with scheduled and emergency repair projects.

**FY 07 NEW INITIATIVES**

- Continued improvement of our skill base pay system, developing and adding new skill blocks and the associated training criteria to develop a more efficient and multi-skilled workforce.
- A mainline flushing program that isolates and flushes over 404.4 miles of transmission and distribution mains, to improve water quality and our systems efficiency.
- A fire hydrant maintenance program that paints, inspects, maintains and repairs over 4,217 fire hydrants at least once per year.

**PERFORMANCE MEASURES**

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Exceed customer service expectations.

**Objective:** To make sure all of our customers needs, questions and concerns have been addressed in a timely manner.

| Measures:                           | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|-------------------------------------|-----------------|-----------------|-------------------|-------------------|
| Number of complaints and responses. | 201             | 217             | 220               | 220               |

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** Reduce accidents and maintain high safety standards.

**Objective:** To communicate the importance of safety and loss control through our safety programs.

| Measures:                      | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--------------------------------|-----------------|-----------------|-------------------|-------------------|
| Number of loss time accidents. | 0               | 0               | 0                 | 0                 |

**Council Priority/Goal: PLANNING AND GROWTH**

**Goal:** Set new water meters in a timely manner for contractors, developers and homeowners, keeping up with the rapid growth of our community.

**Objective:** Meters are paid for and our crews have them installed within 10 working days.

| Measures:                         | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|-----------------------------------|-----------------|-----------------|-------------------|-------------------|
| Number of new meter installations | 546             | 337             | 500               | 600               |

**UTILITIES**

**DIVISION 49**

**WATER DISTRIBUTION**

**Council Priority/Goal: ORGANIZATIONAL SUPPORT**

**Goal:** Continue to develop a multi-skilled work force through skill base pay.

**Objective:** To develop a multi-skilled work force by developing and updating training criteria and crew rotation training schedules. To strengthen teamwork within the division.

| <b>Measures:</b>   | <b>CY 04 Actual</b> | <b>CY 05 Actual</b> | <b>CY 06 Estimate</b> | <b>CY 07 Proposed</b> |
|--|---------------------|---------------------|-----------------------|-----------------------|
| Number of employees that have completed skill blocks and received additional pay for the new skill they have learned and demonstrated an proficiency in. | 7                   | 5                   | 6                     | 7                     |

| <b>EXPENDITURES BY CATEGORY:</b> | <b>Actual Expenditures 2004-2005</b> | <b>Adopted Budget 2005-2006</b> | <b>Estimated Expenditures 2005-2006</b> | <b>Proposed Budget 2006-2007</b> | <b>Budget-Budget Variance</b> |
|----------------------------------|--------------------------------------|---------------------------------|---|----------------------------------|-------------------------------|
| PERSONAL SERVICES                | \$ 766,141                           | \$ 808,258                      | \$ 863,573                              | \$ 988,571                       | \$ 180,313                    |
| CONTRACTUAL                      | 66,027                               | 54,196                          | 53,685                                  | 58,656                           | 4,460                         |
| COMMODITIES                      | 186,533                              | 236,232                         | 218,787                                 | 248,161                          | 11,929                        |
| CAPITAL                          | 216                                  | 112,150                         | 70,140                                  | 192,010                          | 79,860                        |
| <b>TOTAL</b>                     | <b>\$ 1,018,917</b>                  | <b>\$ 1,210,836</b>             | <b>\$ 1,206,185</b>                     | <b>\$ 1,487,398</b>              | <b>\$ 276,562</b>             |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                      |                                 |   |                                  |                               |
| GENERAL ADMINISTRATION           | \$ 149,445                           | \$ 134,601                      | \$ 137,559                              | \$ 117,807                       | \$ (16,794)                   |
| WATER SYS MAINT-OPERATION        | 153,526                              | 187,675                         | 188,488                                 | 299,389                          | 111,714                       |
| MAIN & SERVICE LINE REPAIR       | 226,730                              | 287,012                         | 283,632                                 | 292,147                          | 5,135                         |
| MAIN EXT-FIRE HYDR/VALVE         | 67,708                               | 115,847                         | 97,476                                  | 143,012                          | 27,165                        |
| VALVE & FIRE HYDR MAINT          | 107,217                              | 132,355                         | 139,279                                 | 193,528                          | 61,173                        |
| METER INSTALLATION               | 195,151                              | 227,551                         | 231,363                                 | 286,014                          | 58,463                        |
| METER REPAIR & TESTING           | 119,140                              | 125,795                         | 128,388                                 | 155,501                          | 29,706                        |
| <b>TOTAL</b>                     | <b>\$ 1,018,917</b>                  | <b>\$ 1,210,836</b>             | <b>\$ 1,206,185</b>                     | <b>\$ 1,487,398</b>              | <b>\$ 276,562</b>             |
| <b>SOURCE OF FUNDING:</b>        |                                      |                                 |   |                                  |                               |
| WATER AND WASTEWATER FUND        |                                      |                                 |   | \$ 1,487,398                     |                               |
|                                  |                                      |                                 |   | <b>\$ 1,487,398</b>              |                               |

**COMMENTARY:**  
 The Water Distribution operating budget has increased 18% and capital expenditures total \$192,010 resulting in an overall net increase of 23%. Personal Services increases are due to 2.0 FTE staffing additions that include 2 new Water Services Technicians. In addition, there is a 9% pay plan adjustment and increases in ASRS, health insurance, and dental insurance. The increase in Contractuals is due to utilities, education/training, and equipment rentals. Commodities increase is due to small tools, gas and oil, materials and supplies for street and highway, and other equipment under \$5,000. Major capital (>\$10,000) of \$192,010 is for two replacement 4x4 utility bed service trucks with hydraulic crane and hydraulic pump circuit along with two 1 1/2 ton trucks for the new FTE's.

**MISSION**

The mission of the Utilities Department is to professionally and cost effectively provide water and wastewater services that meet the present and future environmental, health, and safety needs of the community and our co-workers. We are committed to a goal of 100% customer satisfaction. This will be achieved by a dedication to exceed customer expectations by continuously improving our operations. We value our co-workers and strive to maintain high motivation by providing an environment that encourages improvement and teamwork.

**PROGRAM DESCRIPTION**

Provides for the operation and maintenance of Booster Stations and Storage Tanks .  
 Booster Stations increase water pressure for domestic and fire service outside of the normal pressure zones of the distribution system (higher elevations.)

Storage tanks provide pressure and flow during periods of time when pumps are not running or there is no power.

**FY 06 ACCOMPLISHMENTS**

- ✓ University Highlands tank is painted.
- ✓ Chesire tank interior is inspected and cleaned.

**FY 07 NEW INITIATIVES**

- Perform analysis on Zone A+ to qualify and quantify adequacy of supply. May need additional circuit breaker to run pumps in tandem and additional storage due to build-out in zone.

**PERFORMANCE MEASURES**

**Council Priority/Goal:** QUALITY OF LIFE

**Goal:** Keep facilities operational and esthetically pleasing

**Objective:** Paint and clean interiors

**Measures:**

|                                 | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Tanks painted                   | 0                       | 1                       | 1                         | 1                         |
| Tanks cleaned (diving contract) | 2                       | 2                       | 2                         | 1                         |

**UTILITIES**

**DIVISION 50**

**BOOSTER STATIONS**

| <b>EXPENDITURES BY CATEGORY:</b>   |                                     |                                |  |                                 |                           |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES  | \$ 32,411                           | \$ 35,581                      | \$ 35,581                              | \$ 28,791                       | \$ (6,790)                |
| CONTRACTUAL  | 39,626                              | 37,150                         | 36,200                                 | 58,636                          | 21,486                    |
| COMMODITIES  | 1,229                               | 3,625                          | 3,351                                  | 3,425                           | (200)                     |
| CAPITAL  | 7,796                               | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>   | <b>\$ 81,062</b>                    | <b>\$ 76,356</b>               | <b>\$ 75,132</b>                       | <b>\$ 90,852</b>                | <b>\$ 14,496</b>          |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION   | \$ 38,090                           | \$ 42,781                      | \$ 42,781                              | \$ 40,377                       | \$ (2,404)                |
| ZONE A   | -                                   | 350                            | 350                                    | 14,350                          | 14,000                    |
| KINLANI  | 1,121                               | 3,525                          | 2,550                                  | 2,775                           | (750)                     |
| UNIVERSITY HIGHLANDS #1  | 8,457                               | 1,800                          | 1,600                                  | 1,800                           | -                         |
| AIRPORT BOOSTER  | 3,064                               | 2,700                          | 3,701                                  | 2,700                           | -                         |
| AMBERWOOD BOOSTER  | 10,619                              | 3,550                          | 3,700                                  | 4,450                           | 900                       |
| RAILROAD SPRINGS BOOSTER   | 19,711                              | 20,450                         | 20,450                                 | 24,400                          | 3,950                     |
| KINLANI II   | -                                   | 1,200                          | -                                      | -                               | (1,200)                   |
| <b>TOTAL</b>   | <b>\$ 81,062</b>                    | <b>\$ 76,356</b>               | <b>\$ 75,132</b>                       | <b>\$ 90,852</b>                | <b>\$ 14,496</b>          |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
| WATER AND WASTEWATER FUND  |                                     |                                |  | \$ 90,852                       |                           |
|  |                                     |                                |  | <b>\$ 90,852</b>                |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| The Booster Station operating budget has increased 19% and there are no capital expenditures. The decrease in Personal Services is based on amount of charges from other divisions. Contractuals increase is due to Maintenance-Building/Structures and Utilities. One-time expenditures are \$4,386 for main reservoir diving services and \$14,000 to paint the Cheshire tank. |                                     |                                |  |                                 |                           |

**MISSION**

Provide wastewater treatment and reclaim water that meets or exceeds all federal and state permit requirements, Minimize treatment cost per unit of treated wastewater, Maintain State Certified Laboratory Standards, Encourage use of reclaim water by Fairfield golf courses and contractors, Submit all required state and federal monitoring reports accurately and on time.

**PROGRAM DESCRIPTION**

The Wildcat Hill Wastewater Plant is a 6 million gallon-per-day advanced treatment facility. This program is responsible for the day-to-day operation and maintenance, as well as the pumping of treated wastewater to the Fairfield golf courses and contractors. The plant operates a State-certified laboratory, which performs the majority of the required routine lab analysis.

✓ **FY 06 ACCOMPLISHMENTS**

- ✓ Reintroduction of the Tickling Filters Solid Contact mode has reduced the Total Suspended Solids and Bio Chemical Oxygen Demand before the sand filters and early indications show a reduction of Nitrogen.

- ✓ Started sending treated grease to digesters, has reduced loading to the system.
- ✓ No major Primary sludge settling problems, resulting in reduced overtime and chemical consumption.
- ✓ Plant personal have been more productive in housekeeping, resulting in safety award for plant staff.
- ✓ Great sludge injection year, staff doubled the lbs. of solids injected from the previous year, due to better operation of ponds, and better operation of the sludge injection as a whole.
- ✓ Reduced the cost to treat by (24) cents per thousand gallons of influent from previous year.

**FY 07 NEW INITIATIVES**

- Continue to encourage the use of reclaimed water. Promote a culture of pride in ownership of our facility.
- Exceed the expectations of our customers, by educating and being involved in public activities.

**PERFORMANCE MEASURES**

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Exceed the expectations of our customers.

**Objective:** Continue to provide services that meet or exceed all Federal, State and City requirements.

| Measures:                                  | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Gallons of influent treated (billions).    | 1.35            | 1.56            | 1.60              | 1.65              |
| Gallons of septage treated (millions).     | 1.28            | 1.37            | 1.40              | 1.45              |
| Gallons of reclaim water sold (millions).  | 447,347         | 102.7           | 450.0             | 455.0             |
| Gallons of grease treated (thousands).     | 269,940         | 354,400         | 350,000           | 360,000           |
| Gallons of interceptor sludge (thousands). | 49,550          | 60,500          | 60,000            | 65,000            |
| Dry metric tons of solids/sludge injected. | 559.74          | 1,014.14        | 1,020             | 1,025             |

|                  |                    |   |
|------------------|--------------------|---|
| <b>UTILITIES</b> | <b>DIVISION 53</b> | <b>WILDCAT WASTEWATER TREATMENT PLANT</b> |
|------------------|--------------------|---|

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** Maintain financial responsibility that meets or exceeds the City of Flagstaff expectations.

**Objective:** Maintain cost per thousand to treat.

| <b>Measures:</b>                       | <b>CY 04 Actual</b> | <b>CY 05 Actual</b> | <b>CY 06 Estimate</b> | <b>CY 07 Proposed</b> |
|--|---------------------|---------------------|-----------------------|-----------------------|
| Cost per thousand to treat (influent). | \$ 1.20 avg.        | \$ 0.96 avg.        | \$ 1.05 avg.          | \$ 1.10 avg           |

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Develop and maintain public security.

**Objective:** Continue to provide the best quality effluent by meeting or exceeding all requirements.

| <b>Measures:</b>   | <b>CY 04 Actual</b> | <b>CY 05 Actual</b> | <b>CY 06 Estimate</b> | <b>CY 07 Proposed</b> |
|--|---------------------|---------------------|-----------------------|-----------------------|
| Number of NPDES permit violations (within plant design)      | 0                   | 1                   | 0                     | 0                     |
| Number of NPDES permit violations(beyond plant capabilities) | 1                   | 2                   | 0                     | 0                     |

**Council Priority/Goal: PLANNING FOR GROWTH**

**Goal:** Promote the use of reclaim water.

**Objective:** Increase the number of customers using reclaim water.

| <b>Measures:</b>                          | <b>CY 04 Actual</b> | <b>CY 05 Actual</b> | <b>CY 06 Estimate</b> | <b>CY 07 Proposed</b> |
|---|---------------------|---------------------|-----------------------|-----------------------|
| Number of new reuse permits administered. | 45                  | 14                  | 20                    | 20                    |

**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** Provide a good quality of life for our customers, neighbors, and employees.

**Objective:** Reduce the number of complaints and injuries.

| <b>Measures:</b>  | <b>CY 04 Actual</b> | <b>CY 05 Actual</b> | <b>CY 06 Estimate</b> | <b>CY 07 Proposed</b> |
|---|---------------------|---------------------|-----------------------|-----------------------|
| Number of complaints /odors ect.                            | 0                   | 1                   | 0                     | 0                     |
| Number of on the job lost time due to accidents / injuries. | 0                   | 0                   | 0                     | 0                     |

**UTILITIES**

**DIVISION 53**

**WILDCAT WASTEWATER  
TREATMENT PLANT**

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ 643,119                          | \$ 840,878                     | \$ 650,766                             | \$ 838,305                      | \$ (2,573)                |
| CONTRACTUAL   | 505,189                             | 525,244                        | 589,813                                | 540,208                         | 14,964                    |
| COMMODITIES   | 295,556                             | 300,859                        | 256,996                                | 333,552                         | 32,693                    |
| CAPITAL   | 26,716                              | 7,900                          | -                                      | -                               | (7,900)                   |
| <b>TOTAL</b>  | <b>\$ 1,470,580</b>                 | <b>\$ 1,674,881</b>            | <b>\$ 1,497,575</b>                    | <b>\$ 1,712,065</b>             | <b>\$ 37,184</b>          |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 110,531                          | \$ 260,357                     | \$ 133,538                             | \$ 211,543                      | \$ (48,814)               |
| WC-PLANT OPERATIONS   | 535,685                             | 516,922                        | 522,105                                | 655,137                         | 138,215                   |
| WC-PLANT MAINTENANCE  | 633,628                             | 641,241                        | 646,329                                | 585,745                         | (55,496)                  |
| WC-LAB-PROC CNTRL-MONITOR   | 101,639                             | 145,702                        | 105,681                                | 183,902                         | 38,200                    |
| WC-SEPTAGE  | 20,262                              | 27,579                         | 12,150                                 | 850                             | (26,729)                  |
| WC-WH RIO MAINTENANCE   | 5,555                               | 6,112                          | 4,683                                  | 4,342                           | (1,770)                   |
| WC-DRYING BEDS OPERATIONS   | -                                   | 1,750                          | 2,764                                  | 2,300                           | 550                       |
| WC-SLUDGE INJECTION   | 61,952                              | 75,218                         | 70,325                                 | 68,246                          | (6,972)                   |
| DISASTER RECOVERY   | 1,328                               | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 1,470,580</b>                 | <b>\$ 1,674,881</b>            | <b>\$ 1,497,575</b>                    | <b>\$ 1,712,065</b>             | <b>\$ 37,184</b>          |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| WATER AND WASTEWATER FUND   |                                     |                                |  | \$ 1,712,065                    |                           |
|   |                                     |                                |  | <b>\$ 1,712,065</b>             |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| The Wastewater Treatment Plant operating budget increased by 3% and there are no capital expenditures resulting in an overall increase of 2%. Personal Services decrease is due to employee turnover and rehire pay level. Contractuals increase is due to utilities. Commodities increase is due to chemicals, safety supplies and machinery & equipment parts. One-time items in the division is a \$15,000 replacement of existing fibergall grating around the chlorine contact basins. |                                     |                                |  |                                 |                           |

**MISSION**

The mission of the Utilities Department/ Wastewater Collection Division is to professionally and cost effectively provide water services that meet the present and future environmental, health and safety needs of the community and our co-workers.

**PROGRAM DESCRIPTION**

The Wastewater Collection system operators safely and efficiently operate, maintain and repair all wastewater collection and reclaim distribution mains and manholes. Eliminating or reducing health hazards, system failures, customer complaints and property damage throughout our community.

**FY 06 ACCOMPLISHMENTS**

- ✓ Worked with public and private engineers, contractors and customers, coordinating a wide variety of public and private development projects including: The Butler Ave waterline, Empire Ave Extension, Sunnyside Phase III A and the 4th St. Railroad Crossing Phase II.

- ✓ Using the most efficient work practices to date our preventative maintenance program has reduced the number of sewer main line blockages by 25%.
- ✓ Continued to update our water and sewer atlas, our CMMS (Computer Maintenance management System) and the GIS system, giving our city staff the most up to date information when planning, designing and dealing with scheduled and emergency repair projects.

**FY 07 NEW INITIATIVES**

- Continued improvement of our skill base pay system, developing and adding new skill blocks and the associated training criteria to develop a more efficient and multi-skilled workforce.
- A mainline chemical root control project that will double the number of feet of sewer lines that we currently treat.
- Continue to implement and update our CMMS (Computer Maintenance Management System) Improving the efficiency and effectiveness of our field crews.

**PERFORMANCE MEASURES**

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Exceed customer service expectations.

**Objective:** Eliminate or reduce health hazards, system failures, customer complaints and property damage.

| Measures:                     | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|-------------------------------|-----------------|-----------------|-------------------|-------------------|
| Number of main line blockages | 45              | 34              | 30                | 30                |

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** Reduce accidents and maintain high safety standards.

**Objective:** To communicate the importance of safety and loss control through our safety programs.

| Measures:                      | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|--------------------------------|-----------------|-----------------|-------------------|-------------------|
| Number of loss time accidents. | 1               | 0               | 0                 | 0                 |

**Council Priority/Goal: PLANNING AND GROWTH**

**Goal:** Encourage the use of reclaim water throughout the community.

**Objective:** To expand our reclaim distribution system by installing distribution mains, services and fire hydrants.

| Measures:                             | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---------------------------------------|-----------------|-----------------|-------------------|-------------------|
| Number of miles of reclaim waterlines | 14.7            | 15.7            | 16.5              | 17.5              |

**UTILITIES**

**DIVISION 54**

**WASTEWATER COLLECTION**

**Council Priority/Goal: ORGANIZATIONAL SUPPORT**

**Goal:** Continue to develop a multi-skilled work force through skill base pay.

**Objective:** To develop a multi-skilled work force by developing and updating training criteria and crew rotation training schedules. To strengthen teamwork within the division.

| <b>Measures:</b>  | <b>CY 04 Actual</b> | <b>CY 05 Actual</b> | <b>CY 06 Estimate</b> | <b>CY 07 Proposed</b> |
|---|---------------------|---------------------|-----------------------|-----------------------|
| Number of employees that have completed skill blocks and received additional pay for the new skills they have learned and demonstrated an proficiency in. | 3                   | 5                   | 7                     | 8                     |

| <b>EXPENDITURES BY CATEGORY:</b> | <b>Actual Expenditures 2004-2005</b> | <b>Adopted Budget 2005-2006</b> | <b>Estimated Expenditures 2005-2006</b> | <b>Proposed Budget 2006-2007</b> | <b>Budget-Budget Variance</b> |
|----------------------------------|--------------------------------------|---------------------------------|---|----------------------------------|-------------------------------|
| PERSONAL SERVICES                | \$ 452,258                           | \$ 534,508                      | \$ 539,966                              | \$ 618,470                       | \$ 83,962                     |
| CONTRACTUAL                      | 32,926                               | 23,710                          | 37,340                                  | 21,504                           | (2,206)                       |
| COMMODITIES                      | 94,589                               | 167,191                         | 163,550                                 | 182,340                          | 15,149                        |
| CAPITAL                          | 238,926                              | 423,050                         | -                                       | 553,050                          | 130,000                       |
| <b>TOTAL</b>                     | <b>\$ 818,699</b>                    | <b>\$ 1,148,459</b>             | <b>\$ 740,856</b>                       | <b>\$ 1,375,364</b>              | <b>\$ 226,905</b>             |

| <b>EXPENDITURES BY PROGRAM:</b> | <b>Actual Expenditures 2004-2005</b> | <b>Adopted Budget 2005-2006</b> | <b>Estimated Expenditures 2005-2006</b> | <b>Proposed Budget 2006-2007</b> | <b>Budget-Budget Variance</b> |
|---------------------------------|--------------------------------------|---------------------------------|---|----------------------------------|-------------------------------|
| GENERAL ADMINISTRATION          | \$ 160,816                           | \$ 190,296                      | \$ 175,496                              | \$ 211,918                       | \$ 21,622                     |
| SERVICE CONNECTIONS             | 13,231                               | 13,102                          | 15,848                                  | 15,494                           | 2,392                         |
| PREVENTIVE MAINTENANCE          | 474,707                              | 546,406                         | 323,157                                 | 679,836                          | 133,430                       |
| TV INSPECT & HYDRO-CLEAN        | 93,022                               | 316,512                         | 126,593                                 | 377,686                          | 61,174                        |
| CORRECTIVE MAINTENANCE          | 69,394                               | 69,782                          | 86,958                                  | 76,715                           | 6,933                         |
| RECLAIMED WATER LINE            | 7,529                                | 12,361                          | 12,804                                  | 13,715                           | 1,354                         |
| <b>TOTAL</b>                    | <b>\$ 818,699</b>                    | <b>\$ 1,148,459</b>             | <b>\$ 740,856</b>                       | <b>\$ 1,375,364</b>              | <b>\$ 226,905</b>             |

| <b>SOURCE OF FUNDING:</b> | <b>Amount</b>       |
|---------------------------|---------------------|
| WATER AND WASTEWATER FUND | \$ 1,375,364        |
|                           | <b>\$ 1,375,364</b> |

**COMMENTARY:**  
 The Wastewater Collection operating budget has increased 13% and capital expenditures total \$553,050 for a net increase of 20%. Personal Services increases are due to a 9% pay plan adjustment and increases in ASRS, health insurance, and dental insurance. Contractuals decrease is due increased charge outs to other departments. Commodities increase is due to materials and supplies for street and highway repairs along with gas and oil increases. Major capital (>\$10,000) includes \$520,000 for 2 hydro-vac vehicles.

**MISSION**

The mission of the Utilities Department is to professionally and cost effectively provide water and wastewater services that meet the present and future environmental, health, and safety needs of the community and our co-workers. We are committed to a goal of 100% customer satisfaction. This will be achieved by a dedication to exceed customer expectations by continuously improving our operations. We value our co-workers and strive to maintain high motivation by providing an environment that encourages improvement and teamwork.

**PROGRAM DESCRIPTION**

This division provides monitoring, permitting, and reporting of industrial and commercial wastewater discharges into the City sewer system to assure compliance with Local, State and Federal mandated pre-treatment regulations and to prevent upset at the City's wastewater treatment plants. Other activities include administration of the City's cross-connection control program, wastewater monitoring, and seepage control.

**FY 06 ACCOMPLISHMENTS**

- ✓ Worked with Malcolm Pirnie on a Local Limit Study. Results of this study will be available in July 2006.

- ✓ Joy Cone and Nestle Purina were issued new discharge permits in as a result of the expiration of their prior permits.
- ✓ Assisted permitted industries in updating their slug load plans.
- ✓ Surcharge and mass loading fees are now being calculated monthly instead of annually. The industries have expressed their satisfaction with this new process as it enables them to make any necessary process and pretreatment corrections as soon as possible.
- ✓ The City of Flagstaff Industrial Waste Division conducted two staffing training seminars. One was for industry personnel only. The other was at Tri-State for industry and pretreatment purveyors.

**FY 07 NEW INITIATIVES**

- Perform additional sampling as recommended by Malcolm Pirnie on both Wastewater Treatment Plants and Industries for BOD and TSS quarterly.
- Perform additional sampling for Copper on drinking water samples during wastewater sampling events at Industries Wastewater Treatment Plants to build a database for these analyzes in preparation for the next Local Limit Study as recommended by Malcolm Pirnie.

**PERFORMANCE MEASURES**

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Protect water supply from possible cross-connections.

**Objective:** Inspect all businesses connected to City of Flagstaff water system for potential cross-connections.

| <b>Measures:</b>  | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|---|-------------------------|-------------------------|---------------------------|---------------------------|
| Number of businesses inspected for potential cross connections. | 1,237                   | 1,387                   | 1,400                     | 1,400                     |
| Percent of backflow devices that failed.                        | 10%                     | 2 - 6 %                 | 6%                        | 5%                        |
| Number of backflow devices tests logged.                        | 1,561                   | 1,874                   | 1,900                     | 1,950                     |

**UTILITIES**

**DIVISION 55**

**WASTEWATER MONITORING**

**Council Priority/Goal: COLLABORATION**

**Goal:** Inspect all businesses and industries that have connections to the City of Flagstaff collection system.

**Objective:** Inspect all businesses and industries for pretreatment options and educate them on pollution prevention techniques.

| <b>Measures:</b>                             | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Number of pretreatment businesses inspected. | 1,237                   | 1,387                   | 1,400                     | 1,400                     |
| Number of compliance samples analyzed.       | 4,222                   | 10,245                  | 3,020                     | 3,020                     |

**Council Priority/Goal: CUSTOMER SERVICE**

**Goal:** Provide informational responses to our internal and external customers.

**Objective:** Communicate with customers as efficiently and effectively to answer their questions,

| <b>Measures:</b>   | <b>CY 04<br/>Actual</b> | <b>CY 05<br/>Actual</b> | <b>CY 06<br/>Estimate</b> | <b>CY 07<br/>Proposed</b> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Contacts through calls, letters, & e-mails to customers. | 3,350                   | 4,236                   | 4,400                     | 4,450                     |

| <b>PERFORMANCE INDICATORS</b>                                 | <b>CY03</b> | <b>CY04</b> | <b>CY05<br/>EST.</b> |
|---|-------------|-------------|----------------------|
| Number of businesses inspected for potential cross connection | 1,200       | 1,237       | 1,300                |
| Number of backflow device tests logged                        | 1,462       | 1,561       | 1,600                |
| Number of compliance samples analyzed                         | 8,918       | 4,222       | 4,000                |
| Number of pre-treatment business inspections                  | 1,000       | 1,237       | 1,300                |
| Percent of failed back flow tests                             | 10%         | 10%         | 10%                  |

| <b>EXPENDITURES BY CATEGORY:</b> | <b>Actual<br/>Expenditures<br/>2004-2005</b> | <b>Adopted<br/>Budget<br/>2005-2006</b> | <b>Estimated<br/>Expenditures<br/>2005-2006</b> | <b>Proposed<br/>Budget<br/>2006-2007</b> | <b>Budget-Budget<br/>Variance</b> |
|----------------------------------|--|---|---|--|-----------------------------------|
| PERSONAL SERVICES                | \$ 197,944                                   | \$ 204,516                              | \$ 207,590                                      | \$ 217,616                               | \$ 13,100                         |
| CONTRACTUAL                      | 52,589                                       | 252,548                                 | 182,564   | 95,081                                   | (157,467)                         |
| COMMODITIES                      | 15,406                                       | 15,457                                  | 15,457  | 19,457                                   | 4,000                             |
| CAPITAL                          | 7,320  | -                                       | -   | -  | -                                 |
| <b>TOTAL</b>                     | <b>\$ 273,259</b>                            | <b>\$ 472,521</b>                       | <b>\$ 405,611</b>                               | <b>\$ 332,154</b>                        | <b>\$ (140,367)</b>               |

| <b>EXPENDITURES BY PROGRAM:</b> |                   |                   |                   |                   |                     |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| GENERAL ADMINISTRATION          | \$ 107,306        | \$ 299,812        | \$ 220,928        | \$ 150,548        | \$ (149,264)        |
| NPDES MONITORING                | 46,606            | 53,899            | 53,899            | 42,040            | (11,859)            |
| INDUSTRIAL WASTE MONITOR        | 77,750            | 86,037            | 86,037            | 124,748           | 38,711              |
| HAZARDOUS WASTE                 | 4,295             | 4,339             | 4,339             | -                 | (4,339)             |
| BACKFLOW X CONN. CONTROL        | 37,302            | 28,434            | 40,408            | 14,818            | (13,616)            |
| <b>TOTAL</b>                    | <b>\$ 273,259</b> | <b>\$ 472,521</b> | <b>\$ 405,611</b> | <b>\$ 332,154</b> | <b>\$ (140,367)</b> |

| <b>SOURCE OF FUNDING:</b> |                   |  |
|---------------------------|-------------------|--|
| WATER AND WASTEWATER FUND | \$ 332,154        |  |
|                           | <b>\$ 332,154</b> |  |

**COMMENTARY:**  
 The Wastewater Monitoring operating budget has decreased 30% and there are no capital expenditures. Personal Services increases are due to a .50 FTE staffing addition for an Administrative Assistant. In addition, there is a 9% pay plan adjustment and increases in ASRS, health insurance, and dental insurance. Contractuals decrease is related to prior year one-time expenditure. Commodities increase is due to one-time computer and office equipment for new personnel.

**MISSION**

To provide wastewater reclamation that exceeds all federal, state and reuse requirements in a safe and cost-effective manner. To submit all required regulatory reports on time without exception. To promote the use of reclaim water for all approved uses throughout the City of Flagstaff and vicinity. To educate the public on issues related to water reclamation, water conservation, and sustainable use.

**PROGRAM DESCRIPTION**

The Rio de Flag Water Reclamation Facility processes wastewater flow from the western half of the city and reclaims water for a variety of non-potable uses. Landscape irrigation is the principal use of reclaim water but water is also used for non-potable commercial and industrial uses. Excess reclaim water is released to the Rio de Flag wash for riparian enhancement. This semi-automated treatment facility uses advanced technology to produce non-potable water that is rated as Grade A+ by the state of Arizona. The program monitors product water quality as well as downstream water quality. Staff

is also responsible for pumping the water into the citywide distribution system and maintaining the reclaim water storage facilities at Buffalo Park.

**FY 06 ACCOMPLISHMENTS**

- ✓ The Rio de Flag WRP has provided reclaimed water to SCA Tissue for the past 12 months, and is now able to treat the discharge flow from SCA.
- ✓ Provided 319 Million Gallons of reclaimed water for beneficial reuse during calendar year 2005.
- ✓ Consistently produced final effluent that met all state and federal permit requirements.

**FY 07 NEW INITIATIVES**

- Implement cost-effective asset management practices to minimize the life-cycle cost of this facility.

**PERFORMANCE MEASURES**

**Council Priority/Goal: PUBLIC SAFETY**

**Goal:** Provide wastewater treatment that meets or exceeds criteria for Federal, State & Water Reuse Permits

**Objective:** Production and distribution of reclaimed water that is safe for its intended use.

| Measures:                   | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|-----------------------------|--------------|--------------|----------------|----------------|
| Number of Permit Violations | 0            | 0            | 0              | 0              |

**Council Priority/Goal: PLANNING FOR GROWTH**

**Goal:** Promote and encourage use of reclaimed water through education and PR programs. Schedule tours and provide information in a timely manner.

**Objective:** Promote the use of reclaimed water where appropriate, thereby offsetting the demands for potable water.

| Measures:                                      | CY 04 Actual | CY 05 Actual | CY 06 Estimate | CY 07 Proposed |
|--|--------------|--------------|----------------|----------------|
| Gallons of reclaimed water produced (millions) | 693          | 745          | 755            | 755            |
| Gallons of reclaimed water reused (millions)   | 305          | 319          | 330            | 340            |

**UTILITIES**

**DIVISION 56**

**RIO DE FLAG RECLAIM PLANT**

**Council Priority/Goal: FISCAL HEALTH**

**Goal:** Maintain operations, maintenance and lab budgets within the projected amounts.

**Objective:** Control our costs while maintaining service levels at existing levels

| Measures:   | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|---|-----------------|-----------------|-------------------|-------------------|
| Cost/thousand gallons of reclaimed water produced |                 | \$1.09          | \$1.15            | \$1.20            |

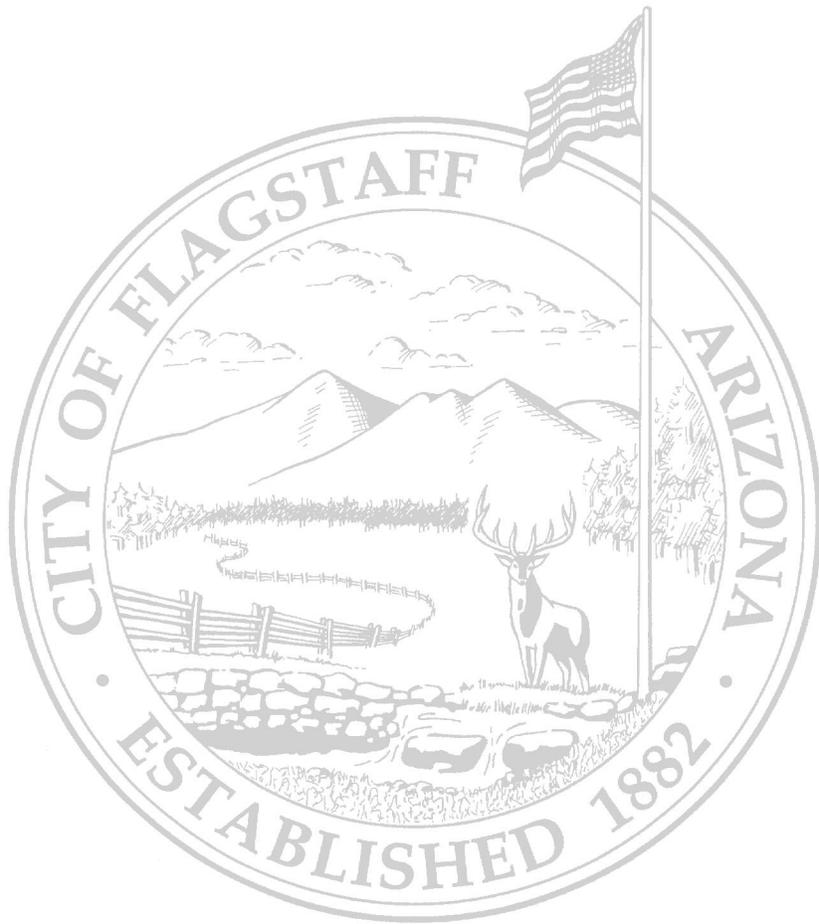
**Council Priority/Goal: QUALITY OF LIFE**

**Goal:** Respond to complaints within 24 hours.

**Objective:** Minimize complaints resulting from the operation of the Rio de Flag WRP.

| Measures:                          | CY 04<br>Actual | CY 05<br>Actual | CY 06<br>Estimate | CY 07<br>Proposed |
|------------------------------------|-----------------|-----------------|-------------------|-------------------|
| Number of complaints (odors, etc.) | 0               | 0               | 0                 | 0                 |

| <b>EXPENDITURES BY CATEGORY:</b>   |                                     |                                |  |                                 |                           |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES  | \$ 298,475                          | \$ 276,083                     | \$ 341,144                             | \$ 284,822                      | \$ 8,739                  |
| CONTRACTUAL  | 469,724                             | 535,526                        | 514,320                                | 464,565                         | (70,961)                  |
| COMMODITIES  | 91,351                              | 118,450                        | 117,441                                | 121,420                         | 2,970                     |
| CAPITAL  | -                                   | -                              | -                                      | 25,500                          | 25,500                    |
| <b>TOTAL</b>   | <b>\$ 859,550</b>                   | <b>\$ 930,059</b>              | <b>\$ 972,905</b>                      | <b>\$ 896,307</b>               | <b>\$ (33,752)</b>        |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION   | \$ 65,890                           | \$ 54,782                      | \$ 138,352                             | \$ 70,919                       | \$ 16,137                 |
| PLANT OPERATIONS   | 466,093                             | 471,871                        | 448,541                                | 583,713                         | 111,842                   |
| PLANT MAINTENANCE  | 125,021                             | 164,861                        | 165,038                                | 189,375                         | 24,514                    |
| LAB-PROCESS CONTROL-MONITOR  | 84,049                              | 128,645                        | 97,548                                 | 52,300                          | (76,345)                  |
| RECLAIMED CONNECTIONS  | 117,341                             | 109,900                        | 109,900                                | -                               | (109,900)                 |
| DIS RECOVERY RIO   | 1,156                               | -                              | 13,526                                 | -                               |                           |
| <b>TOTAL</b>   | <b>\$ 859,550</b>                   | <b>\$ 930,059</b>              | <b>\$ 972,905</b>                      | <b>\$ 896,307</b>               | <b>\$ (33,752)</b>        |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
| WATER AND WASTEWATER FUND  |                                     |                                |  | \$ 896,307                      |                           |
|  |                                     |                                |  | <b>\$ 896,307</b>               |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| <p>The Rio de Flag Treatment Plant operating budget decreased by 6% and capital expenditures total \$25,500 resulting in an overall net decrease of 4%. Personal Services increase is due to a 9% pay plan adjustment and increases in ASRS, health insurance, and dental insurance. Contractuals decrease is due to Rebates-Reclaimed H2O Connections being moved to Div 58. Commodities increase are due to miscellaneous computer equipment, office equipment and chemicals. One-time expenditures for this division are \$996 for Emergency Response Drill (Rio), \$1,250 purchase of 2 monitors for SCADA system, \$26,500 for costs involved with anticipated rate increase, and \$12,500 for purchase of Anthracite Coal for Dual Media Filters. Major capital (&gt;\$10,000) includes \$25,500 Submersible Propeller Pump.</p> |                                     |                                |  |                                 |                           |



## ***NON-DEPARTMENTAL***

Non-Departmental accounts for all divisions which are not under the direct supervision of a department head or whose operations are contractual in nature. These include:

The mission of the **Council and Commission Division** of the City of Flagstaff is to enhance the quality of life of its citizens while supporting the values of its community.

The **Contributions to Other Agencies Division** accounts for contractual agreements with outside agencies that provide services to Flagstaff's citizens. The City is a major contributor to United Way, arts and cultural agencies whose activities benefit the citizens of Flagstaff, and other Alliance partnerships.

The **Non-Departmental Division** accounts for all expenditures that are not specifically allocable to individual divisions or programs, e.g. property and liability insurance, unemployment insurance, audit fees, and capital equipment that benefit various departments (mainframe computer). Costs of this division are allocated to the respective departments based on a cost-allocation formulation.

The **Firemen's Pension Division** accounts for the distribution of retirement benefits to beneficiaries covered under the Volunteer Firemen's Pension Trust Fund. Volunteer firefighters who are vested after 25 years and upon reaching retirement age or disabled receive a pension based on past volunteer service.

The **Economic Development Division** is responsible for the administration of economic development programs. The City contracts these services. Activities include development and implementation of strategies to recruit new basic sector employers to the community, retention and expansion of existing basic sector employers, and the promotion of the Flagstaff area as an excellent location for business relocation. Economic development is funded by the BBB tax.

The **Transit Division** collects the portion of the transportation tax that is earmarked for Transit activities. Coconino County administers the Transit program per the Intergovernmental Agreement (IGA) between the City and the County.

**MISSION**

The mission of the City of Flagstaff is to enhance the quality of life of its citizens while supporting the values of its community.

City Council enacts local legislation, assesses community needs; sets the tax rate; determines and develops policies for the City Manager to implement and adopts budgets. The Council appoints the City Manager, City Attorney, Court Magistrates and individuals to various boards, commissions, and committees.

**PROGRAM DESCRIPTION**

This division is the legislative branch of the City of Flagstaff's Council-Manager form of Government. The

| <b>EXPENDITURES BY CATEGORY:</b> |                                     |                                |  |                                 |                           |
|----------------------------------|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|                                  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES                | \$ 116,114                          | \$ 117,034                     | \$ 116,930                             | \$ 171,592                      | \$ 54,558                 |
| CONTRACTUAL                      | 80,451                              | 82,852                         | 77,827                                 | 94,915                          | 12,063                    |
| COMMODITIES                      | 30,592                              | 33,905                         | 31,095                                 | 37,330                          | 3,425                     |
| CAPITAL                          | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>                     | <b>\$ 227,157</b>                   | <b>\$ 233,791</b>              | <b>\$ 225,852</b>                      | <b>\$ 303,837</b>               | <b>\$ 70,046</b>          |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION           | \$ 223,405                          | \$ 229,881                     | \$ 221,392                             | \$ 299,277                      | \$ 69,396                 |
| BOARDS AND COMMISSIONS           | 3,752                               | 3,910                          | 4,460                                  | 4,560                           | 650                       |
| <b>TOTAL</b>                     | <b>\$ 227,157</b>                   | <b>\$ 233,791</b>              | <b>\$ 225,852</b>                      | <b>\$ 303,837</b>               | <b>\$ 70,046</b>          |
| <b>SOURCE OF FUNDING:</b>        |                                     |                                |  |                                 |                           |
| GENERAL FUND                     |                                     |                                |  | \$ 173,289                      |                           |
| LIBRARY FUND                     |                                     |                                |  | 12,119                          |                           |
| HIGHWAY USER REVENUE FUND        |                                     |                                |  | 38,622                          |                           |
| WATER AND WASTEWATER FUND        |                                     |                                |  | 41,071                          |                           |
| STORMWATER FUND                  |                                     |                                |  | 2,022                           |                           |
| AIRPORT FUND                     |                                     |                                |  | 7,695                           |                           |
| ENVIRONMENTAL SERVICES FUND      |                                     |                                |  | 29,019                          |                           |
|                                  |                                     |                                |  | <b>\$ 303,837</b>               |                           |

**COMMENTARY:**

The Council and Commissions operating budget has increased 30% are there are no capital expenditures. Personal Services increases are due to 3 council members receiving scheduled increases as designated for the 2006 election. Contractual increases reflect costs associated with travel (\$6,000) and registration (\$1,500) as well as membership costs (\$3,171). Commodities reflect a slight increase in gas and oil (\$528) as well as promotional materials (\$1,057).

**PROGRAM DESCRIPTION**

This division accounts for contractual agreements with outside agencies that provide services to Flagstaff's citizens. The City is a major contributor to United Way, arts and cultural agencies whose activities benefit the citizens of Flagstaff, and other Alliance partnerships.

**FY 07 NEW INITIATIVES**

- Maintained or increased funding to agencies through prolonged period of fiscal restraint.

| <b>EXPENDITURES BY CATEGORY:</b>   |                                     |                                |  |                                 |                           |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES  | \$ -                                | \$ -                           | \$ -                                   | \$ -                            | \$ -                      |
| CONTRACTUAL  | 710,336                             | 787,053                        | 747,064                                | 966,190                         | 179,137                   |
| COMMODITIES  | -                                   | -                              | -                                      | -                               | -                         |
| CAPITAL  | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>   | <b>\$ 710,336</b>                   | <b>\$ 787,053</b>              | <b>\$ 747,064</b>                      | <b>\$ 966,190</b>               | <b>\$ 179,137</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| HEALTH & SOC SERVICES  | \$ 311,264                          | \$ 311,264                     | \$ 311,264                             | \$ 342,390                      | \$ 31,126                 |
| OTHER CONTRIBUTIONS  | 399,072                             | 475,789                        | 435,800                                | 623,800                         | 148,011                   |
| <b>TOTAL</b>   | <b>\$ 710,336</b>                   | <b>\$ 787,053</b>              | <b>\$ 747,064</b>                      | <b>\$ 966,190</b>               | <b>\$ 179,137</b>         |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
| GENERAL FUND   |                                     |                                |  | \$ 966,190                      |                           |
|  |                                     |                                |  | <b>\$ 966,190</b>               |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| The Contributions to Others operating budget has increased 23% and there are no capital expenditures. Contributions are as follows: United Way \$342,390; Greater Flagstaff Forest Partnership \$20,000; High Altitude Sports Training \$30,000; FACTS \$354,000; Weed & Seed \$7,000; Youth Coalition \$25,000; Emergency Housing \$25,000; NACOG Rural Transportation \$4,300, Intake Triage \$100,000, Cardinals \$55,000, and File of Life \$3,500 (1X). |                                     |                                |  |                                 |                           |

**PROGRAM DESCRIPTION**

This division accounts for all expenditures that are not specifically allocable to individual divisions or programs, e.g. property and liability insurance, unemployment insurance, audit fees, and capital equipment that benefit

various departments (mainframe computer). Costs of this division are allocated to the respective departments based on a cost-allocation formulation.

| <b>EXPENDITURES BY CATEGORY:</b> |                                     |                                |  |                                 |                           |
|----------------------------------|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|                                  | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES                | \$ 70,029                           | \$ 79,020                      | \$ 71,002                              | \$ 75,828                       | \$ (3,192)                |
| CONTRACTUAL                      | 1,518,700                           | 2,474,350                      | 1,637,568                              | 3,027,500                       | 553,150                   |
| COMMODITIES                      | 456,606                             | 1,019,000                      | 315,818                                | 2,004,529                       | 985,529                   |
| CAPITAL                          | 265,674                             | 2,105,053                      | 10,720                                 | 3,281,053                       | 1,176,000                 |
| <b>TOTAL</b>                     | <b>\$ 2,311,009</b>                 | <b>\$ 5,677,423</b>            | <b>\$ 2,035,108</b>                    | <b>\$ 8,388,910</b>             | <b>\$ 2,711,487</b>       |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION           | \$ 900,922                          | \$ 1,281,350                   | \$ 593,930                             | \$ 2,767,254                    | \$ 1,485,904              |
| EMPLOYEE BENEFITS                | 980,471                             | 49,000                         | 45,378                                 | 69,000                          | 20,000                    |
| INSURANCE                        | -                                   | 915,500                        | 915,500                                | 915,500                         | -                         |
| CONSULTANTS                      | 279,640                             | 518,000                        | 337,500                                | 432,000                         | (86,000)                  |
| COPY CENTER                      | 7,159                               | 16,520                         | 9,800                                  | 61,103                          | 44,583                    |
| REDEVELOPMENT                    | 123,636                             | 798,000                        | 133,000                                | 4,144,053                       | 3,346,053                 |
| GRANT PASS THRU'S                | 14,788                              | -                              | -                                      | -                               | -                         |
| DOWNTOWN REDEVELOPMENT           | 4,038                               | 2,099,053                      | -                                      | -                               | (2,099,053)               |
| APSES                            | 355                                 | -                              | -                                      | -                               | -                         |
| APS TRAINING ROOM                | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>                     | <b>\$ 2,311,009</b>                 | <b>\$ 5,677,423</b>            | <b>\$ 2,035,108</b>                    | <b>\$ 8,388,910</b>             | <b>\$ 2,711,487</b>       |
| <b>SOURCE OF FUNDING:</b>        |                                     |                                |  |                                 |                           |
|                                  | GENERAL FUND                        |                                |  | \$ 7,455,562                    |                           |
|                                  | LIBRARY FUND                        |                                |  | 71,577                          |                           |
|                                  | HIGHWAY USER REVENUE FUND           |                                |  | 211,854                         |                           |
|                                  | WATER AND WASTEWATER FUND           |                                |  | 346,049                         |                           |
|                                  | STORMWATER FUND                     |                                |  | 26,012                          |                           |
|                                  | AIRPORT FUND                        |                                |  | 89,021                          |                           |
|                                  | ENVIRONMENTAL SERVICES FUND         |                                |  | 188,835                         |                           |
|                                  |                                     |                                |  | <b>\$ 8,388,910</b>             |                           |

**COMMENTARY:**

The Non-Departmental operating budget has increased 43% and capital expenditures total \$3,281,053 resulting in an overall net increase of 48%. Personal Services decreases are due to a slight decrease in the charge out rate. Contractual increases are due to funding events, telecom, housing commission and the BBB task force. Commodities increases are related to information services expenditures that have been carried over into FY2007, and new sales tax software (\$500,000). Major capital (>\$10,000) includes a network color copier (\$60,000) and redevelopment (\$3,221,053).

**PROGRAM DESCRIPTION**

This division accounts for the distribution of retirement benefits to beneficiaries covered under the Volunteer Firemen's Pension Trust Fund. Volunteer firefighters who are vested after 25 years and upon reaching

retirement age or disabled receive a pension based on past volunteer service.

| <b>EXPENDITURES BY CATEGORY:</b>                        |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES                                       | \$ -                                | \$ -                           | \$ -                                   | \$ -                            | \$ -                      |
| CONTRACTUAL   | 7,200                               | 14,400                         | 7,200                                  | 14,400                          | -                         |
| COMMODITIES   | -                                   | -                              | -                                      | -                               | -                         |
| CAPITAL   | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 7,200</b>                     | <b>\$ 14,400</b>               | <b>\$ 7,200</b>                        | <b>\$ 14,400</b>                | <b>\$ -</b>               |
| <b>EXPENDITURES BY PROGRAM:</b>                         |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION                                  | \$ 7,200                            | \$ 14,400                      | \$ 7,200                               | \$ 14,400                       | \$ -                      |
| <b>TOTAL</b>  | <b>\$ 7,200</b>                     | <b>\$ 14,400</b>               | <b>\$ 7,200</b>                        | <b>\$ 14,400</b>                | <b>\$ -</b>               |
| <b>SOURCE OF FUNDING:</b>                               |                                     |                                |  |                                 |                           |
| FIREMEN'S PENSION FUND                                  |                                     |                                |  | \$ 14,400                       |                           |
|   |                                     |                                |  | <b>\$ 14,400</b>                |                           |
| <b>COMMENTARY:</b>                                      |                                     |                                |  |                                 |                           |
| The Firemen's Pension operating budget increased by 0%. |                                     |                                |  |                                 |                           |

**PROGRAM DESCRIPTION**

This division, responsible for the administration of Economic Development programs, is a contracted service. Activities include development and implementation of strategies to recruit new basic sector employers to the community, retention and expansion of

existing basic sector employers, and the promotion of the Flagstaff area as an excellent location for business relocation. Economic development is funded by the BBB tax.

| <b>EXPENDITURES BY CATEGORY:</b>  |                                     |                                |  |                                 |                           |
|---|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
|   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
| PERSONAL SERVICES   | \$ -                                | \$ -                           | \$ -                                   | \$ -                            | \$ -                      |
| CONTRACTUAL   | 405,624                             | 474,400                        | 414,400                                | 621,400                         | 147,000                   |
| COMMODITIES   | -                                   | -                              | -                                      | -                               | -                         |
| CAPITAL   | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 405,624</b>                   | <b>\$ 474,400</b>              | <b>\$ 414,400</b>                      | <b>\$ 621,400</b>               | <b>\$ 147,000</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>   |                                     |                                |  |                                 |                           |
| GENERAL ADMINISTRATION  | \$ 380,008                          | \$ 398,000                     | \$ 398,000                             | \$ 403,000                      | \$ 5,000                  |
| INCUBATOR PROGRAM   | -                                   | -                              | -                                      | 214,000                         | 214,000                   |
| CONTRIBUTIONS   | 4,400                               | 4,400                          | 4,400                                  | 4,400                           | -                         |
| TELECOM   | 21,216                              | 50,000                         | 12,000                                 | -                               | (50,000)                  |
| PARTNERSHIP TRAINING  | -                                   | 22,000                         | -                                      | -                               | -                         |
| <b>TOTAL</b>  | <b>\$ 405,624</b>                   | <b>\$ 474,400</b>              | <b>\$ 414,400</b>                      | <b>\$ 621,400</b>               | <b>\$ 147,000</b>         |
| <b>SOURCE OF FUNDING:</b>   |                                     |                                |  |                                 |                           |
| ECONOMIC DEVELOPMENT FUND   |                                     |                                |  | \$ 621,400                      |                           |
|   |                                     |                                |  | <b>\$ 621,400</b>               |                           |
| <b>COMMENTARY:</b>  |                                     |                                |  |                                 |                           |
| The Economic Development operating budget has increased 31% and there are no capital expenditures. Contractual increases are due to additional funding to GFEC totalling (\$403,000) and the Incubator program (\$214,000). |                                     |                                |  |                                 |                           |

|                         |                    |                |
|-------------------------|--------------------|----------------|
| <b>NON-DEPARTMENTAL</b> | <b>DIVISION 97</b> | <b>TRANSIT</b> |
|-------------------------|--------------------|----------------|

**PROGRAM DESCRIPTION**

This division collects the portion of the transportation tax that is earmarked for Transit activities. Coconino County

administers the Transit program per the Intergovernmental Agreement (IGA) between the City and the County.

| <b>EXPENDITURES BY CATEGORY:</b>   | Actual<br>Expenditures<br>2004-2005 | Adopted<br>Budget<br>2005-2006 | Estimated<br>Expenditures<br>2005-2006 | Proposed<br>Budget<br>2006-2007 | Budget-Budget<br>Variance |
|--|-------------------------------------|--------------------------------|--|---------------------------------|---------------------------|
| PERSONAL SERVICES  | \$ -                                | \$ -                           | \$ -                                   | \$ -                            | \$ -                      |
| CONTRACTUAL  | 1,864,004                           | 2,630,156                      | 3,250,000                              | 2,762,433                       | 132,277                   |
| COMMODITIES  | -                                   | -                              | -                                      | -                               | -                         |
| CAPITAL  | -                                   | -                              | -                                      | -                               | -                         |
| <b>TOTAL</b>   | <b><u>\$ 1,864,004</u></b>          | <b><u>\$ 2,630,156</u></b>     | <b><u>\$ 3,250,000</u></b>             | <b><u>\$ 2,762,433</u></b>      | <b><u>\$ 132,277</u></b>  |
| <b>EXPENDITURES BY PROGRAM:</b>  |                                     |                                |  |                                 |                           |
| TRANSIT  | \$ 1,864,004                        | \$ 2,630,156                   | \$ 3,250,000                           | \$ 2,762,433                    | \$ 132,277                |
| <b>TOTAL</b>   | <b><u>\$ 1,864,004</u></b>          | <b><u>\$ 2,630,156</u></b>     | <b><u>\$ 3,250,000</u></b>             | <b><u>\$ 2,762,433</u></b>      | <b><u>\$ 132,277</u></b>  |
| <b>SOURCE OF FUNDING:</b>  |                                     |                                |  |                                 |                           |
| TRANSPORTATION FUND  |                                     |                                |  | \$ 2,762,433                    |                           |
|  |                                     |                                |  | <b><u>\$ 2,762,433</u></b>      |                           |
| <b>COMMENTARY:</b>   |                                     |                                |  |                                 |                           |
| The Transit budget has increased by 5% this fiscal year. This is due to increased costs including but not limited to liability insurance, rents and employee benefits. The City contracts with the County to run the Transit System. We contribute monthly based on the appropriated budget. |                                     |                                |  |                                 |                           |



# CAPITAL IMPROVEMENTS

## FY 2007 CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) for FY 2007 represents a \$108.5 million investment of public funds in infrastructure and public facilities. The project mix has changed from prior years to 47% of the funding being provided on the pay-as-you-go basis versus 46.6% in FY 2006. The major projects in this year's budget are East Flag Gateway, Fire Stations, Rio De Flag project, Aquatic/Multi Gen Center, Business Incubator, and Wildcat Plant Upgrades. This year's capital improvement program is funded 41.3% through debt financing including the Water and Wastewater projects, Aquatic/Multi Gen Center and Fire Stations authorized by voters in May 2004. The grant funding of 11.7% is primarily for airport expansion, beautification, and streets.

In May 2004 voters approved 10 bond projects totaling \$155.2 million. These projects will be phased in over a 10-year period and budgeted on a cash flow basis.

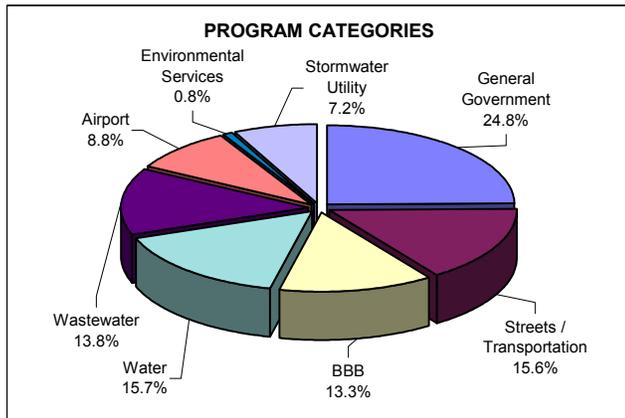
Expenditure totals may be shown as inflated or non-inflated costs depending on whether the scope of work or funding amount is the determining factor.

The Five-Year Capital Improvement Plan (multi-year, long-range study of construction and/or acquisition of high cost items with an extended useful life) is prepared separately from the Annual Budget and Financial Plan. The latest version of this plan can be found on the city website under Finance and Budget.

The following pages provided listing of the Capital Improvement projects along with a map to show the location of the improvements. The City Geographic Information System program provided the maps.

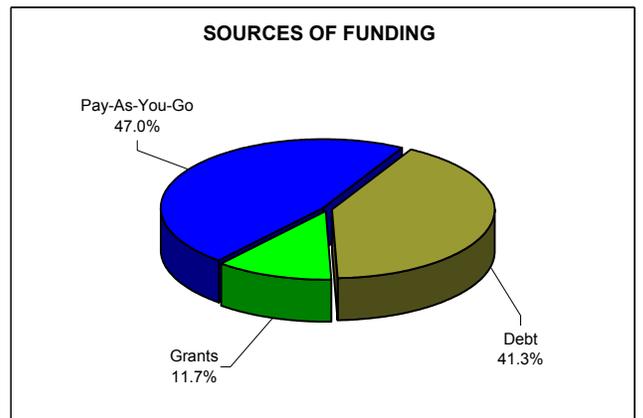
Funded projects in the five-year Capital Improvement Program fall into the following eight broad categories:

|                          |               |                       |
|--------------------------|---------------|-----------------------|
| General Government       | 24.8%         | \$ 26,889,422         |
| Streets / Transportation | 15.6%         | 16,884,933            |
| BBB                      | 13.3%         | 14,447,260            |
| Water                    | 15.7%         | 17,059,175            |
| Wastewater               | 13.8%         | 14,924,203            |
| Airport                  | 8.8%          | 9,570,010             |
| Environmental Services   | 0.8%          | 848,089               |
| Stormwater Utility       | 7.2%          | 7,835,899             |
|                          | <u>100.0%</u> | <u>\$ 108,458,991</u> |



Sources of funding are categorized in three categories as shown below:

|               |               |                       |
|---------------|---------------|-----------------------|
| Pay-As-You-Go | 47.0%         | \$ 51,011,236         |
| Debt          | 41.3%         | 44,747,569            |
| Grants        | 11.7%         | 12,700,186            |
|               | <u>100.0%</u> | <u>\$ 108,458,991</u> |



SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2006-2007

**GENERAL GOVERNMENT**

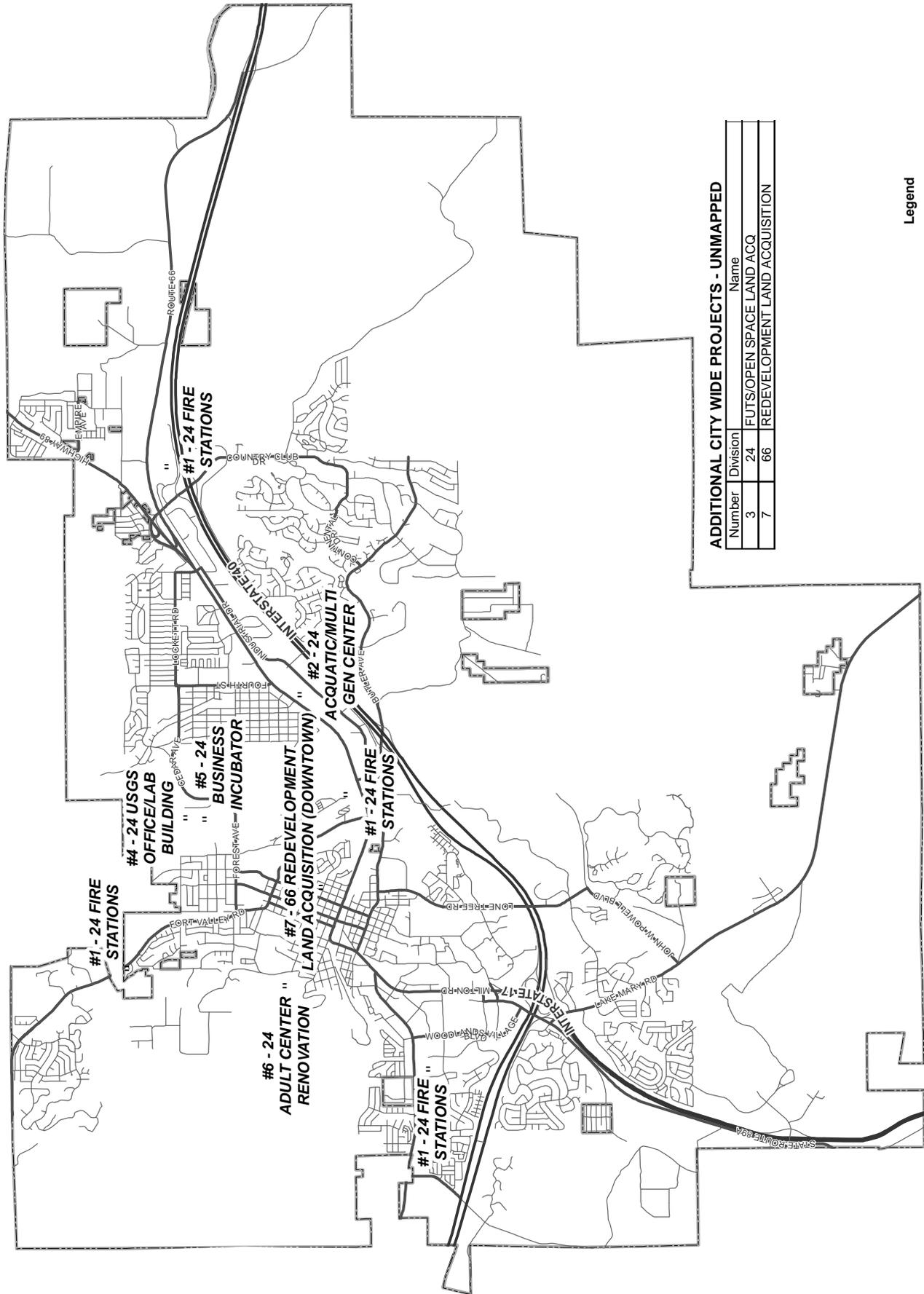
APPROPRIATIONS

|                          |                                   | CARRYOVER           | BUDGET               |
|--------------------------|-----------------------------------|---------------------|----------------------|
|                          |                                   | FY 2006             | FY 2007              |
| DIV                      | PROJECT                           |                     |                      |
| 1                        | 24 FIRE STATIONS                  | 3,118,030           | 8,985,654            |
| 2                        | 24 AQUATIC/MULTI GEN CENTER       | 55,172              | 7,856,295            |
| 3                        | 24 FUTS/OPEN SPACE LAND ACQ       | 1,403,453           | 1,422,321            |
| 4                        | 24 USGS OFFICE/LAB BUILDING       |                     | 1,000,680            |
| 5                        | 24 BUSINESS INCUBATOR             |                     | 3,364,919            |
| 6                        | 24 ADULT CENTER RENOVATION        |                     | 1,038,500            |
| 7                        | 66 REDEVELOPMENT LAND ACQUISITION | 2,095,053           | 3,221,053            |
| TOTAL GENERAL GOVERNMENT |                                   | <u>\$ 6,671,708</u> | <u>\$ 26,889,422</u> |

SOURCES OF FUNDING

|                          |                                   | GENERAL     | BONDS             | OTHER            | TOTAL             |
|--------------------------|-----------------------------------|-------------|-------------------|------------------|-------------------|
|                          |                                   | FUND        |                   |                  |                   |
| DIV                      | PROJECT                           |             |                   |                  |                   |
| 1                        | 24 FIRE STATIONS                  |             | 8,985,654         |                  | 8,985,654         |
| 2                        | 24 MULTI GEN CENTER               |             | 7,856,295         |                  | 7,856,295         |
| 3                        | 24 FUTS/OPEN SPACE LAND ACQ       |             | 1,422,321         |                  | 1,422,321         |
| 4                        | 24 USGS OFFICE/LAB BUILDING       |             | 1,000,680         |                  | 1,000,680         |
| 5                        | 24 BUSINESS INCUBATOR             |             | 3,364,919         |                  | 3,364,919         |
| 6                        | 24 ADULT CENTER RENOVATION        |             |                   | 1,038,500        | 1,038,500         |
| 7                        | 66 REDEVELOPMENT LAND ACQUITISION |             |                   | 3,221,053        | 3,221,053         |
| TOTAL GENERAL GOVERNMENT |                                   | <u>\$ -</u> | <u>22,629,869</u> | <u>4,259,553</u> | <u>26,889,422</u> |

**GENERAL GOVERNMENT PROJECTS  
CAPITAL IMPROVEMENT PROGRAM  
FY 2006-2007**



**ADDITIONAL CITY WIDE PROJECTS - UNMAPPED**

| Number | Division | Name                           |
|--------|----------|--------------------------------|
| 3      | 24       | FUTS/OPEN SPACE LAND ACQ       |
| 7      | 66       | REDEVELOPMENT LAND ACQUISITION |

**Legend**

- Interstate
  - Primary Road; Major Hwy; Secondary/Minor Hwy
  - Local Road; Private Right of Way; Ramp; Forest Service; NAU
  - City Limits
- 1 inch equals 6,500 feet

SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2006-2007

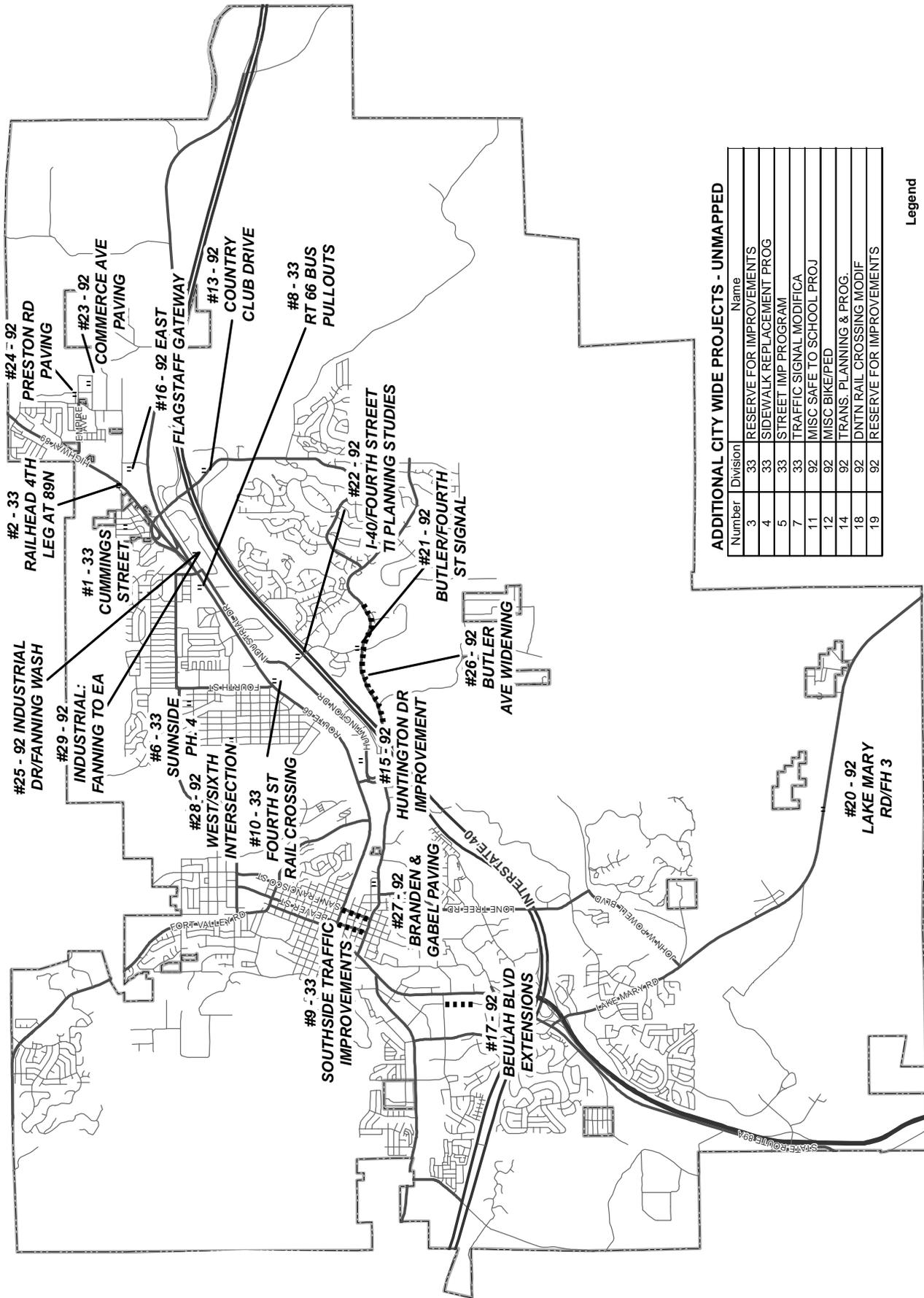
**STREETS/TRANSPORTATION  
APPROPRIATIONS**

| DIV                              | PROJECT                                | CARRYOVER    | BUDGET     |
|----------------------------------|--|--------------|------------|
|                                  |  | FY 2006      | FY 2007    |
| 1 33                             | CUMMINGS STREET                        | 82,932       | 82,932     |
| 2 33                             | RAILHEAD 4TH LEG AT 89N                | 282,878      | 557,348    |
| 3 33                             | RESERVE FOR IMPROVEMENTS               |              | 50,000     |
| 4 33                             | SIDEWALK REPLACEMENT PROG              |              | 15,000     |
| 5 33                             | STREET IMP PROGRAM                     |              | 1,915,724  |
| 6 33                             | SUNNYSIDE PH.4                         | 409,507      | 1,439,282  |
| 7 33                             | TRAFFIC SIGNAL MODIFICA                |              | 100,000    |
| 8 33                             | RT 66 BUS PULLOUTS                     | 4,960        | 137,510    |
| 9 33                             | SOUTHSIDE TRAFFICE IMPROVEMENTS        | -            | 300,000    |
| 10 35                            | FOURTH ST RAIL CROSSING                | 2,840        | 2,840      |
| 11 92                            | MISC SAFE TO SCHOOL PROJ               | 121,810      | 160,496    |
| 12 92                            | MISC BIKE/PED                          | 348,839      | 409,271    |
| 13 92                            | COUNTRY CLUB DRIVE                     | 26,000       | 70,000     |
| 14 92                            | TRANS. PLANNING & PROG.                | 35,171       | 145,175    |
| 15 92                            | HUNTINGTON DR IMPROVEMENT              | 665,888      | 1,548,188  |
| 16 92                            | EAST FLAGSTAFF GATEWAY                 | 6,099,464    | 6,100,000  |
| 17 92                            | BEULAH BLVD EXTENSIONS                 |              | 554,000    |
| 18 92                            | DNTN RAIL CROSSING MODIF               | 63,175       | 662,785    |
| 19 92                            | RESERVE FOR IMPROVEMENTS               |              | 25,000     |
| 20 92                            | LAKE MARY RD/FH 3                      | 45,795       | 45,795     |
| 21 92                            | BUTLER/FOURTH ST SIGNAL                | 165,637      | 237,807    |
| 22 92                            | I-40/FOURTH STREET TI PLANNING STUDIES | 50,000       | 50,000     |
| 23 92                            | COMMERCE AVE PAVING                    | 274,702      | 274,702    |
| 24 92                            | PRESTON RD PAVING                      | 95,559       | 95,559     |
| 25 92                            | INDUSTRIAL DR/FANNING WAS              | 393,113      | 470,064    |
| 26 92                            | BUTLER AVE WIDENING                    | 368,633      | 552,570    |
| 27 92                            | BRANDEN & GABEL PAVING                 |              | 49,662     |
| 28 92                            | WEST/SIXTH INTERSECTION                |              | 106,291    |
| 29 92                            | INDUSTRIAL: FANNING TO EA              |              | 726,932    |
| TOTAL STREETS AND TRANSPORTATION |  | \$ 9,536,903 | 16,884,933 |

SOURCES OF FUNDING

| DIV                              | PROJECT                                | HURF         | TRANS-    | GRANTS  | BONDS | OTHER     | TOTAL      |
|----------------------------------|--|--------------|-----------|---------|-------|-----------|------------|
|                                  |  |              | PORTATION |         |       |           |            |
| 1 33                             | CUMMINGS STREET                        | 82,932       |           |         |       |           | 82,932     |
| 2 33                             | RAILHEAD 4TH LEG AT 89N                | 557,348      |           |         |       |           | 557,348    |
| 3 33                             | RESERVE FOR IMPROVEMENTS               | 50,000       |           |         |       |           | 50,000     |
| 4 33                             | SIDEWALK REPLACEMENT PROG              | 15,000       |           |         |       |           | 15,000     |
| 5 33                             | STREET IMP PROGRAM                     | 1,715,724    | 200,000   |         |       |           | 1,915,724  |
| 6 33                             | SUNNYSIDE PH.4                         | 1,439,282    |           |         |       |           | 1,439,282  |
| 7 33                             | TRAFFIC SIGNAL MODIFICA                | 100,000      |           |         |       |           | 100,000    |
| 8 33                             | RT 66 BUS PULLOUTS                     |              |           | 137,510 |       |           | 137,510    |
| 9 33                             | SOUTHSIDE TRAFFIC IMPROVEMENTS         | 300,000      |           |         |       |           | 300,000    |
| 10 35                            | FOURTH ST RAIL CROSSING                |              | 2,840     |         |       |           | 2,840      |
| 11 92                            | MISC SAFE TO SCHOOL PROJ               |              | 160,496   |         |       |           | 160,496    |
| 12 92                            | MISC BIKE/PED                          |              | 409,271   |         |       |           | 409,271    |
| 13 92                            | COUNTRY CLUB DRIVE                     |              | 70,000    |         |       |           | 70,000     |
| 14 92                            | TRANS. PLANNING & PROG.                |              | 145,175   |         |       |           | 145,175    |
| 15 92                            | HUNTINGTON DR IMPROVEMENT              |              | 1,548,188 |         |       |           | 1,548,188  |
| 16 92                            | EAST FLAGSTAFF GATEWAY                 |              | -         |         |       | 6,100,000 | 6,100,000  |
| 17 92                            | BEULAH BLVD EXTENSIONS                 |              | 554,000   |         |       |           | 554,000    |
| 18 92                            | DNTN RAIL CROSSING MODIF               |              | 662,785   |         |       |           | 662,785    |
| 19 92                            | RESERVE FOR IMPROVEMENTS               |              | 25,000    |         |       |           | 25,000     |
| 20 92                            | LAKE MARY RD/FH 3                      |              | 45,795    |         |       |           | 45,795     |
| 21 92                            | BUTLER/FOURTH ST SIGNAL                |              | 237,807   |         |       |           | 237,807    |
| 22 92                            | I-40/FOURTH STREET TI PLANNING STUDIES |              | 50,000    |         |       |           | 50,000     |
| 23 92                            | COMMERCE AVE PAVING                    |              | 274,702   |         |       |           | 274,702    |
| 24 92                            | PRESTON RD PAVING                      |              | 95,559    |         |       |           | 95,559     |
| 25 92                            | INDUSTRIAL DR/FANNING WAS              |              | 470,064   |         |       |           | 470,064    |
| 26 92                            | BUTLER AVE WIDENING                    |              | 552,570   |         |       |           | 552,570    |
| 27 92                            | BRANDEN & GABEL PAVING                 |              | 49,662    |         |       |           | 49,662     |
| 28 92                            | WEST/SIXTH INTERSECTION                |              | 106,291   |         |       |           | 106,291    |
| 29 92                            | INDUSTRIAL: FANNING TO EA              |              | 726,932   |         |       |           | 726,932    |
| TOTAL STREETS AND TRANSPORTATION |  | \$ 4,260,286 | 6,387,137 | 137,510 | -     | 6,100,000 | 16,884,933 |

**STREETS / TRANSPORTATION PROJECTS  
CAPITAL IMPROVEMENT PROGRAM  
FY 2006-2007**



**ADDITIONAL CITY WIDE PROJECTS - UNMAPPED**

| Number | Division | Name                      |
|--------|----------|---------------------------|
| 3      | 33       | RESERVE FOR IMPROVEMENTS  |
| 4      | 33       | SIDEWALK REPLACEMENT PROG |
| 5      | 33       | STREET IMP PROGRAM        |
| 7      | 33       | TRAFFIC SIGNAL MODIFICA   |
| 11     | 92       | MISC SAFE TO SCHOOL PROJ  |
| 12     | 92       | MISC BIKE/PEP             |
| 14     | 92       | TRANS. PLANNING & PROG.   |
| 18     | 92       | DNTN RAIL CROSSING MODIF  |
| 19     | 92       | RESERVE FOR IMPROVEMENTS  |

- Legend**
- Interstate
  - Primary Road; Primary/Major Hwy; Secondary/Minor Hwy
  - Local Road; Private Right of Way; Ramp; Forest Service; NAU
  - City Limits

1 inch equals 6,500 feet

SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2006-2007

**BBB**

APPROPRIATIONS

| DIV | PROJECT                           | CARRYOVER<br>FY 2006 | BUDGET<br>FY 2007 |
|-----|-----------------------------------|----------------------|-------------------|
| 1   | 74 SPECIAL PROJECTS               |                      | 50,000            |
| 2   | 74 HISTORIC FACADES & SIGNS       | 68,650               | 118,650           |
| 3   | 74 CITY GATEWAY SIGNS             | 40,000               | 80,000            |
| 4   | 74 NEON CORRIDOR                  |                      | 60,000            |
| 5   | 74 US 89 RAILHEAD TO SNOWFLK      | 972,498              | 1,069,648         |
| 6   | 74 REDEVELOPMENT OPPORTUNITY      |                      | 100,000           |
| 7   | 74 E FLAG TI ADOT CORRIDOR        | 1,166,285            | 3,191,443         |
| 8   | 75 SPECIAL PROJECTS               |                      | 58,000            |
| 9   | 75 SIGNAGE PROGRAM                | 335,488              | 335,488           |
| 10  | 75 PRIVATE DEVELOPMENT            | 150,000              | 150,000           |
| 11  | 75 MCMILLIAN MESA TRAILHEAD       |                      | 50,000            |
| 12  | 75 RIO N CRESENT TO OBS MESA      | 231,315              | 262,400           |
| 13  | 75 FUTS FT VALLEY SECH-FREMT      | 535,650              | 538,851           |
| 14  | 75 MCMILLIAN MESA SYSTEM          | 75,268               | 78,877            |
| 15  | 75 RT66-RIO N TO SAN FRAN         | 35,094               | 596,439           |
| 16  | 75 SANTA FE-W VILLAGE-WALNUT      | 183,000              | 910,743           |
| 17  | 75 SANTA FE W-WALNUT TO RIO       | 124,703              | 1,410,142         |
| 18  | 75 RIO N. BLUE WILLOW TO 180      | 130,000              | 353,019           |
| 19  | 75 LIL A AZ TRAIL TO HEROLD       |                      | 24,878            |
| 20  | 85 VISITOR CENTER REPAIRS/REMODEL | 199,537              | 199,537           |
| 21  | 91 THORPE PARK                    | 1,747,965            | 4,809,145         |
|     | TOTAL BBB                         | <u>\$ 5,995,453</u>  | <u>14,447,260</u> |

SOURCES OF FUNDING

| DIV | PROJECT                           | BBB                 | TRANS-<br>PORTATION | GRANTS              | OTHER               | TOTAL             |
|-----|-----------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|
| 1   | 74 SPECIAL PROJECTS               | 50,000              |                     |                     |                     | 50,000            |
| 2   | 74 HISTORIC FACADES & SIGNS       | 118,650             |                     |                     |                     | 118,650           |
| 3   | 74 CITY GATEWAY SIGNS             | 80,000              |                     |                     |                     | 80,000            |
| 4   | 74 NEON CORRIDOR                  | 60,000              |                     |                     |                     | 60,000            |
| 5   | 74 US 89 RAILHEAD TO SNOWFLK      | 444,648             | 125,000             | 500,000             |                     | 1,069,648         |
| 6   | 74 REDEVELOPMENT OPPORTUNITY      | 100,000             |                     |                     |                     | 100,000           |
| 7   | 74 E FLAG TI ADOT CORRIDOR        | 320,443             | 316,000             | 2,555,000           |                     | 3,191,443         |
| 8   | 75 SPECIAL PROJECTS               | 58,000              |                     |                     |                     | 58,000            |
| 9   | 75 SIGNAGE PROGRAM                | 167,744             |                     | 167,744             |                     | 335,488           |
| 10  | 75 PRIVATE DEVELOPMENT            | -                   | 150,000             |                     |                     | 150,000           |
| 11  | 75 MCMILLIAN MESA TRAILHEAD       | 50,000              |                     |                     |                     | 50,000            |
| 12  | 75 RIO N CRESENT TO OBS MESA      | 262,400             |                     |                     |                     | 262,400           |
| 13  | 75 FUTS FT VALLEY SECH-FREMT      | 538,851             |                     |                     |                     | 538,851           |
| 14  | 75 MCMILLIAN MESA SYSTEM          | 78,877              |                     |                     |                     | 78,877            |
| 15  | 75 RT66-RIO N TO SAN FRAN         | 96,439              |                     | 500,000             |                     | 596,439           |
| 16  | 75 SANTA FE-W VILLAGE-WALNUT      | 310,743             | 600,000             |                     |                     | 910,743           |
| 17  | 75 SANTA FE W-WALNUT TO RIO       | 685,142             | 225,000             | 500,000             |                     | 1,410,142         |
| 18  | 75 RIO N BLUE WILLOW TO 180       | 353,019             |                     |                     |                     | 353,019           |
| 19  | 75 LIL A AZ TRAIL TO HEROLD       | 24,878              |                     |                     |                     | 24,878            |
| 20  | 85 VISITOR CENTER REPAIRS/REMODEL | 199,537             |                     |                     |                     | 199,537           |
| 21  | 91 THORPE PARK                    | -                   | 234,000             | 550,000             | 4,025,145           | 4,809,145         |
|     | TOTAL BBB                         | <u>\$ 3,999,371</u> | <u>\$ 1,650,000</u> | <u>\$ 4,772,744</u> | <u>\$ 4,025,145</u> | <u>14,447,260</u> |



SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2006-2007

**WATER**

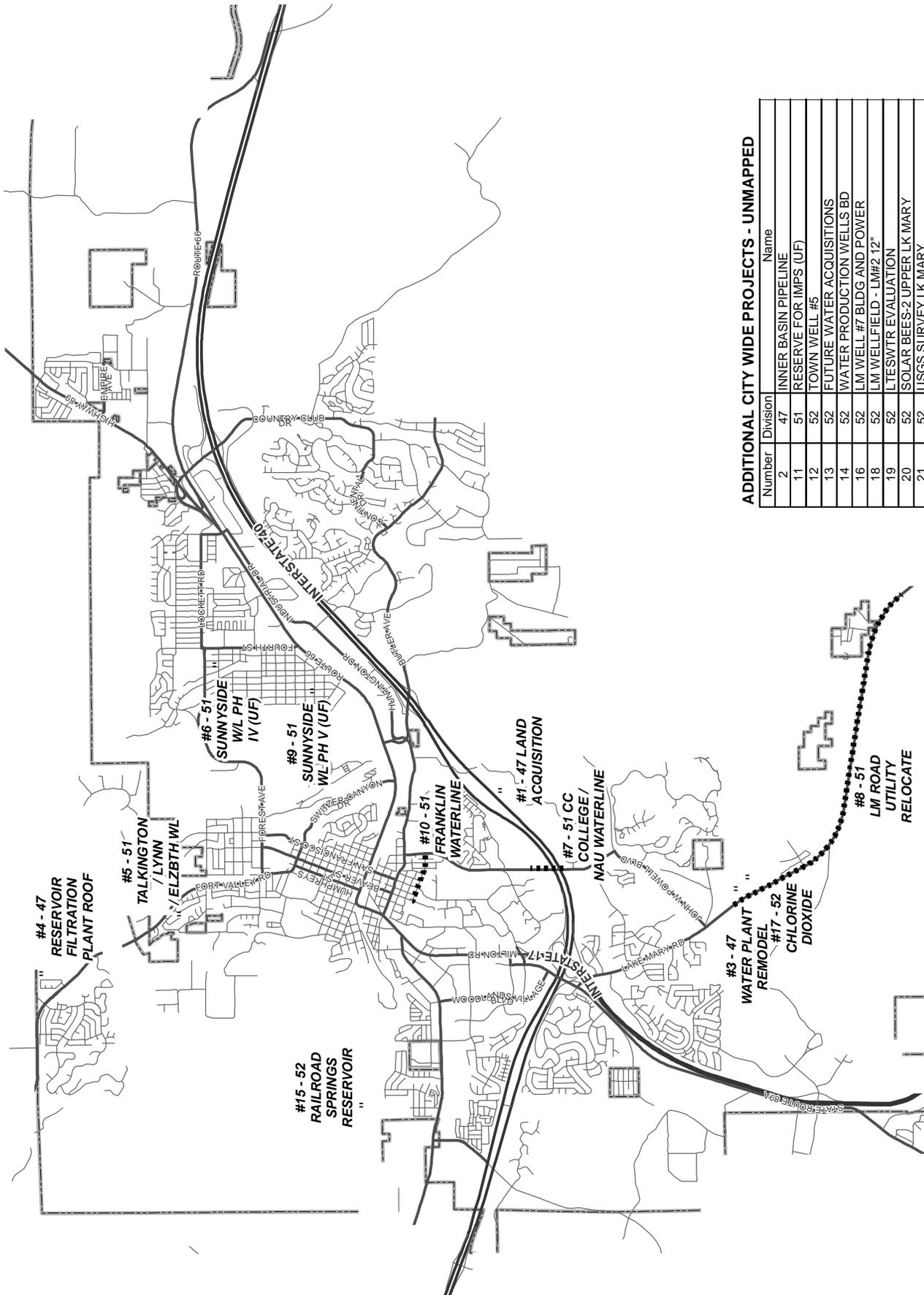
APPROPRIATIONS

|             |                                    | CARRYOVER         | BUDGET            |
|-------------|------------------------------------|-------------------|-------------------|
| DIV         | PROJECT                            | FY 2006           | FY 2007           |
| 1           | 47 LAND ACQUISITION                |                   | 20,000            |
| 2           | 47 INNER BASIN PIPELINE            | 301,000           | 401,000           |
| 3           | 47 WATER PLANT REMODEL             | 193,125           | 193,125           |
| 4           | 47 RESERVOIR FILTRATION PLANT ROOF | 17,780            | 17,780            |
| 5           | 51 TALKINGTON/LYNN/ELZBTH WL       | 555,011           | 923,288           |
| 6           | 51 SUNNYSIDE W/L PH IV (UF)        | 557,046           | 1,269,546         |
| 7           | 51 CC COLLEGE/NAU WATERLINE        | 327,108           | 452,108           |
| 8           | 51 LM ROAD UTILITY RELOCATE        | 10,626            | 10,626            |
| 9           | 51 SUNNYSIDE WL PH V (UF)          | 557,046           | 1,658,447         |
| 10          | 51 FRANKLIN WATERLINE              |                   | 232,336           |
| 11          | 51 RESERVE FOR IMPS (UF)           | 61,796            | 125,400           |
| 12          | 52 TOWN WELL #5                    |                   | 110,000           |
| 13          | 52 FUTURE WATER ACQUISITIONS       | 7,079,775         | 7,114,700         |
| 14          | 52 WATER PRODUCTION WELLS BD       | 2,172,681         | 3,003,000         |
| 15          | 52 RAILROAD SPRINGS RESRVIOR       | 507,454           | 507,454           |
| 16          | 52 LM WELL #7 BLDG AND POWER       | 170,000           | 200,000           |
| 17          | 52 CHLORINE DIOXIDE                |                   | 110,000           |
| 18          | 52 LM WELLFIED -LM#2 12"           |                   | 389,365           |
| 19          | 52 LTESWTR EVALUATION              |                   | 60,000            |
| 20          | 52 SOLAR BEES-2 UPPR LK MARY       |                   | 100,000           |
| 21          | 52 USGS SURVEY                     |                   | 161,000           |
| TOTAL WATER |                                    | <u>12,510,448</u> | <u>17,059,175</u> |

SOURCES OF FUNDING

|             |                                    | OPERATING           | BONDS                | TOTAL                |
|-------------|------------------------------------|---------------------|----------------------|----------------------|
| DIV         | PROJECT                            |                     |                      |                      |
| 1           | 47 LAND ACQUISITIONS               | 20,000              |                      | 20,000               |
| 2           | 47 INNER BASIN PIPELINE            | 401,000             |                      | 401,000              |
| 3           | 47 WATER PLANT REMODEL             | 193,125             |                      | 193,125              |
| 4           | 47 RESERVOIR FILTRATION PLANT ROOF | 17,780              |                      | 17,780               |
| 5           | 51 TALKINGTON/LYNN/ELZBTH WL       | 923,288             |                      | 923,288              |
| 6           | 51 SUNNYSIDE W/L PH IV (UF)        | 1,269,546           |                      | 1,269,546            |
| 7           | 51 CC COLLEGE/NAU WATERLINE        | 452,108             |                      | 452,108              |
| 8           | 51 LM ROAD UTILITY RELOCATE        | 10,626              |                      | 10,626               |
| 9           | 51 SUNNYSIDE WL PH V (UF)          | 1,658,447           |                      | 1,658,447            |
| 10          | 51 FRANKLIN WATERLINE              | 232,336             |                      | 232,336              |
| 11          | 51 RESERVE FOR IMPS (UF)           | 125,400             |                      | 125,400              |
| 12          | 51 TOWN WELL #5                    | 110,000             |                      | 110,000              |
| 13          | 52 FUTURE WATER ACQUISITIONS       |                     | 7,114,700            | 7,114,700            |
| 14          | 52 WATER PRODUCTION WELLS BD       |                     | 3,003,000            | 3,003,000            |
| 15          | 52 RAILROAD SPRINGS RESRVIOR       | 507,454             |                      | 507,454              |
| 16          | 52 LM WELL #7 BLDG AND POWER       | 200,000             |                      | 200,000              |
| 17          | 52 CHLORINE DIOXIDE                | 110,000             |                      | 110,000              |
| 18          | 52 LM WELLFIED -LM#2 12"           | 389,365             |                      | 389,365              |
| 19          | 52 LTESWTR EVALUATION              | 60,000              |                      | 60,000               |
| 20          | 52 SOLAR BEES-2 UPPR LK MARY       | 100,000             |                      | 100,000              |
| 21          | 52 USGS SURVEY                     | 161,000             |                      | 161,000              |
| TOTAL WATER |                                    | <u>\$ 6,941,475</u> | <u>\$ 10,117,700</u> | <u>\$ 17,059,175</u> |

# WATER PROJECTS CAPITAL IMPROVEMENT PROGRAM FY 2006-2007



### ADDITIONAL CITY WIDE PROJECTS - UNMAPPED

| Number | Division | Name                       |
|--------|----------|----------------------------|
| 2      | 47       | INNER BASIN PIPELINE       |
| 11     | 51       | RESERVE FOR IMPS (UF)      |
| 12     | 52       | TOWN WELL #5               |
| 13     | 52       | FUTURE WATER ACQUISITIONS  |
| 14     | 52       | WATER PRODUCTION WELLS BD  |
| 16     | 52       | LM WELL #7 BLDG AND POWER  |
| 18     | 52       | LM WELLFIELD - LM#2 12"    |
| 19     | 52       | LTESWTR EVALUATION         |
| 20     | 52       | SOLAR BEES-2 UPPER LK MARY |
| 21     | 52       | USGS SURVEY LK MARY        |

#### Legend

- Interstate
  - Primary Road; Major Hwy; Secondary/Minor Hwy
  - Local Road; Private Right of Way; Ramp; Forest Service; NAU
  - City Limits
- 1 inch equals 6,500 feet

SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2006-2007

**WASTEWATER**

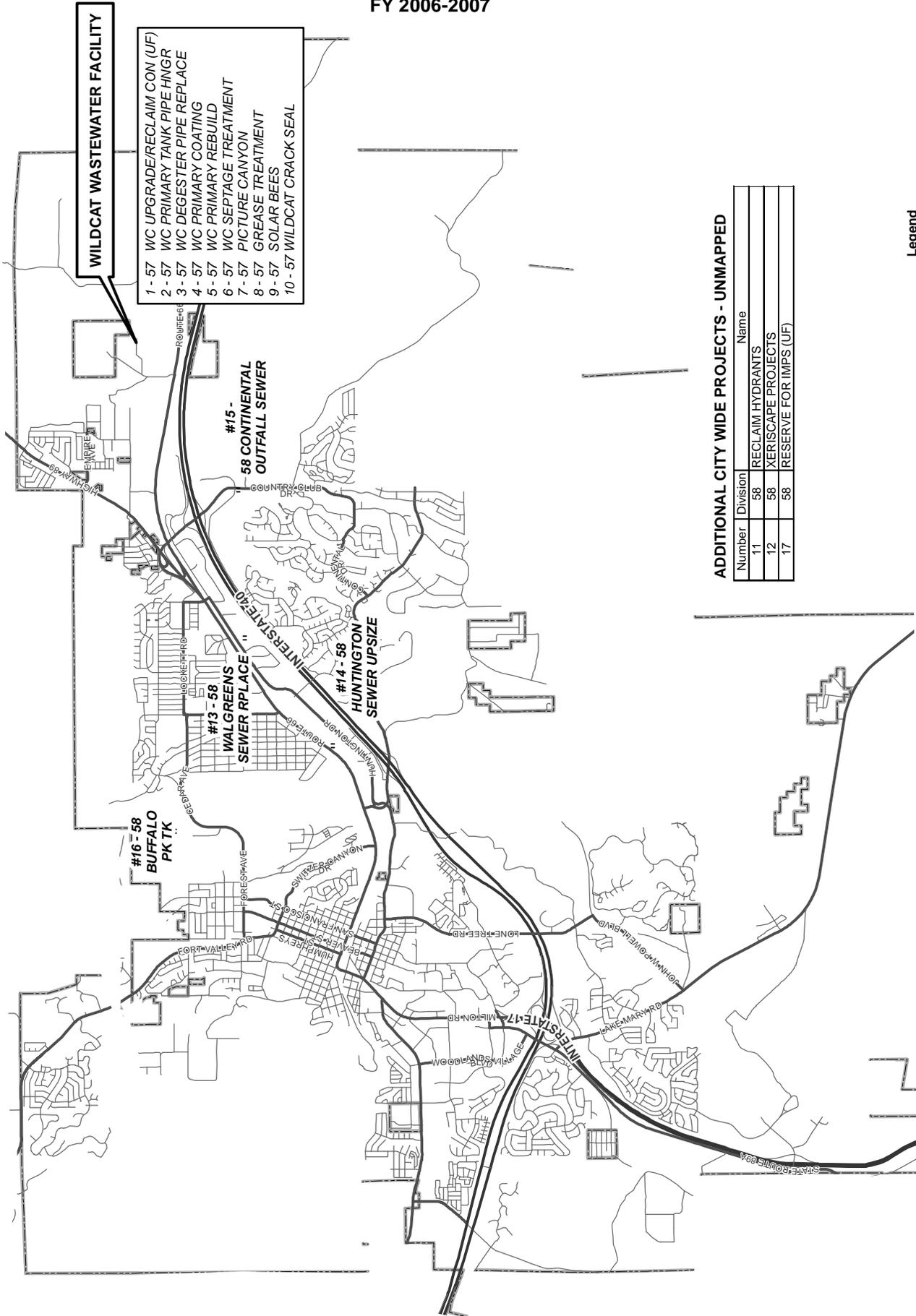
APPROPRIATIONS

| DIV              |    | PROJECT                    | CARRYOVER<br>FY 2006 | BUDGET<br>FY 2007 |
|------------------|----|----------------------------|----------------------|-------------------|
| 1                | 57 | WC UPGRADE/RECLAIM CON(UF) | 12,000,000           | 12,000,000        |
| 2                | 57 | WC PRIMARY TANK PIPE HNGR  | 60,000               | 60,000            |
| 3                | 57 | WC DIGESTER PIPE REPLACE   | 115,928              | 115,928           |
| 4                | 57 | WC PRIMARY COATING         | 173,891              | 173,891           |
| 5                | 57 | WC PRIMARY REBUILD         | 374,427              | 374,427           |
| 6                | 57 | WC SEPTAGE TREATMENT       | 316,650              | 316,650           |
| 7                | 57 | PICTURE CANYON             |                      | 150,000           |
| 8                | 57 | GREASE TREATMENT           |                      | 400,000           |
| 9                | 57 | SOLAR BEES                 |                      | 50,000            |
| 10               | 57 | WILDCAT CRACK SEAL         |                      | 32,174            |
| 11               | 58 | RECLAIM HYDRANTS           | 160,000              | 130,000           |
| 12               | 58 | XERISCAPE PROJECTS         | 50,000               | 50,000            |
| 13               | 58 | WALGREENS SEWER REPLACE    | 61,072               | 268,072           |
| 14               | 58 | HUNTINGTON SEWER UPSIZE    |                      | 303,544           |
| 15               | 58 | CONTINENTAL OUTFALL SEWER  |                      | 237,717           |
| 16               | 58 | BUFFALO PK TK              |                      | 170,000           |
| 17               | 58 | RESERVE FOR IMPS (UF)      |                      | 91,800            |
| TOTAL WASTEWATER |    |                            | <u>13,311,968</u>    | <u>14,924,203</u> |

SOURCES OF FUNDING

| DIV              |    | PROJECT                    | OPERATING           | BONDS                | TOTAL                |
|------------------|----|----------------------------|---------------------|----------------------|----------------------|
| 1                | 57 | WC UPGRADE/RECLAIM CON(UF) |                     | 12,000,000           | 12,000,000           |
| 2                | 57 | WC PRIMARY TANK PIPE HNGR  | 60,000              |                      | 60,000               |
| 3                | 57 | WC DIGESTER PIPE REPLACE   | 115,928             |                      | 115,928              |
| 4                | 57 | WC PRIMARY COATING         | 173,891             |                      | 173,891              |
| 5                | 57 | WC PRIMARY REBUILD         | 374,427             |                      | 374,427              |
| 6                | 57 | WC SEPTAGE TREATMENT       | 316,650             |                      | 316,650              |
| 7                | 57 | PICTURE CANYON             | 150,000             |                      | 150,000              |
| 8                | 57 | GREASE TREATMENT           | 400,000             |                      | 400,000              |
| 9                | 57 | SOLAR BEES                 | 50,000              |                      | 50,000               |
| 10               | 57 | WILDCAT CRACK SEAL         | 32,174              |                      | 32,174               |
| 11               | 58 | RECLAIM HYDRANTS           | 130,000             |                      | 130,000              |
| 12               | 58 | XERISCAPE PROJECTS         | 50,000              |                      | 50,000               |
| 13               | 58 | WALGREENS SEWER REPLACE    | 268,072             |                      | 268,072              |
| 14               | 58 | HUNTINGTON SEWER UPSIZE    | 303,544             |                      | 303,544              |
| 15               | 58 | CONTINENTAL OUTFALL SEWER  | 237,717             |                      | 237,717              |
| 16               | 58 | BUFFALO PK TK              | 170,000             |                      | 170,000              |
| 17               | 58 | RESERVE FOR IMPS (UF)      | 91,800              |                      | 91,800               |
| TOTAL WASTEWATER |    |                            | <u>\$ 2,924,203</u> | <u>\$ 12,000,000</u> | <u>\$ 14,924,203</u> |

**WASTEWATER PROJECTS  
CAPITAL IMPROVEMENT PROGRAM  
FY 2006-2007**



**WILDCAT WASTEWATER FACILITY**

- 1 - 57 WC UPGRADE/RECLAIM CON (UF)
- 2 - 57 WC PRIMARY TANK PIPE HNGR
- 3 - 57 WC DEGESTER PIPE REPLACE
- 4 - 57 WC PRIMARY COATING
- 5 - 57 WC PRIMARY REBUILD
- 6 - 57 WC SEPTAGE TREATMENT
- 7 - 57 WC PICTURE CANYON
- 8 - 57 GREASE TREATMENT
- 9 - 57 SOLAR BEES
- 10 - 57 WILDCAT CRACK SEAL

**ADDITIONAL CITY WIDE PROJECTS - UNMAPPED**

| Number | Division | Name                  |
|--------|----------|-----------------------|
| 11     | 58       | RECLAIM HYDRANTS      |
| 12     | 58       | XERISCAPE PROJECTS    |
| 17     | 58       | RESERVE FOR IMPS (UF) |

**Legend**

- Interstate
  - Primary Road; Major Hwy; Secondary/Minor Hwy
  - Local Road; Private Right of Way; Ramp; Forest Service; N/AU
  - City Limits
- 1 inch equals 6,500 feet

SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2006-2007

**AIRPORT**

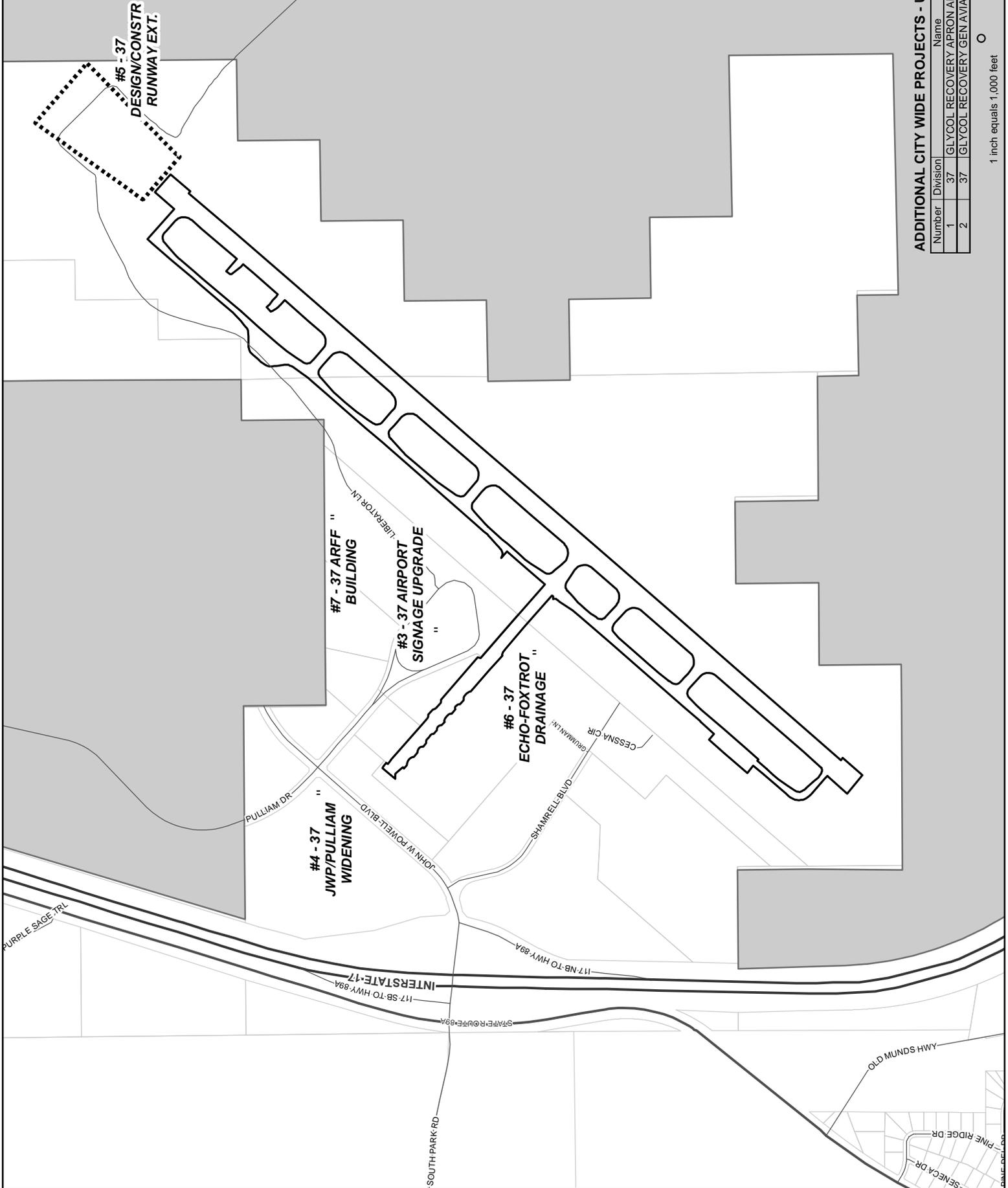
APPROPRIATIONS

|   | DIV | PROJECT                     | CARRYOVER<br>FY 2006 | BUDGET<br>FY 2007   |
|---|-----|-----------------------------|----------------------|---------------------|
| 1 | 37  | GLYCOL RECOVERY APRON ARE   |                      | 98,461              |
| 2 | 37  | GLYCOL RECOVERY GEN AVIAT   |                      | 297,265             |
| 3 | 37  | AIRPORT SIGNAGE UPGRADE     |                      | 45,000              |
| 4 | 37  | JWP/PULLIAM WIDENING        |                      | 836,256             |
| 5 | 37  | DESIGN/CONSTR RUNWAY EXT.   | 4,683,235            | 7,100,000           |
| 6 | 37  | ECHO-FOXTROT DRAINANGE      |                      | 219,869             |
| 7 | 37  | ARFF BUILDING               |                      | 13,159              |
|   |     | PERIMETER ROAD CONSTRUCTION |                      | 960,000             |
|   |     | TOTAL AIRPORT               | <u>\$ 4,683,235</u>  | <u>\$ 9,570,010</u> |

SOURCES OF FUNDING

|   | DIV | PROJECT                     | OPERATING           | GRANTS              | OTHER       | TOTAL               |
|---|-----|-----------------------------|---------------------|---------------------|-------------|---------------------|
| 1 | 37  | GLYCOL RECOVERY APRON ARE   | 98,461              |                     |             | 98,461              |
| 2 | 37  | GLYCOL RECOVERY GEN AVIAT   | 297,265             |                     |             | 297,265             |
| 3 | 37  | AIRPORT SIGNAGE UPGRADE     | 45,000              |                     |             | 45,000              |
| 4 | 37  | JWP/PULLIAM WIDENING        | 41,814              | 794,442             |             | 836,256             |
| 5 | 37  | DESIGN/CONSTR RUNWAY EXT.   | 117,081             | 6,982,919           |             | 7,100,000           |
| 6 | 37  | ECHO-FOXTROT DRAINANGE      | 219,869             |                     |             | 219,869             |
| 7 | 37  | ARFF BUILDING               | 588                 | 12,571              |             | 13,159              |
|   |     | PERIMETER ROAD CONSTRUCTION | 960,000             |                     |             | 960,000             |
|   |     | TOTAL AIRPORT               | <u>\$ 1,780,078</u> | <u>\$ 7,789,932</u> | <u>\$ -</u> | <u>\$ 9,570,010</u> |

**AIRPORT PROJECTS  
CAPITAL IMPROVEMENT PROGRAM  
FY 2006-2007**



**ADDITIONAL CITY WIDE PROJECTS - UNMAPPED**

| Number | Division | Name                      |
|--------|----------|---------------------------|
| 1      | 37       | GLYCOL RECOVERY APRON ARE |
| 2      | 37       | GLYCOL RECOVERY GEN AVIAT |

1 inch equals 1,000 feet

SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2006-2007

**ENVIRONMENTAL SERVICES**

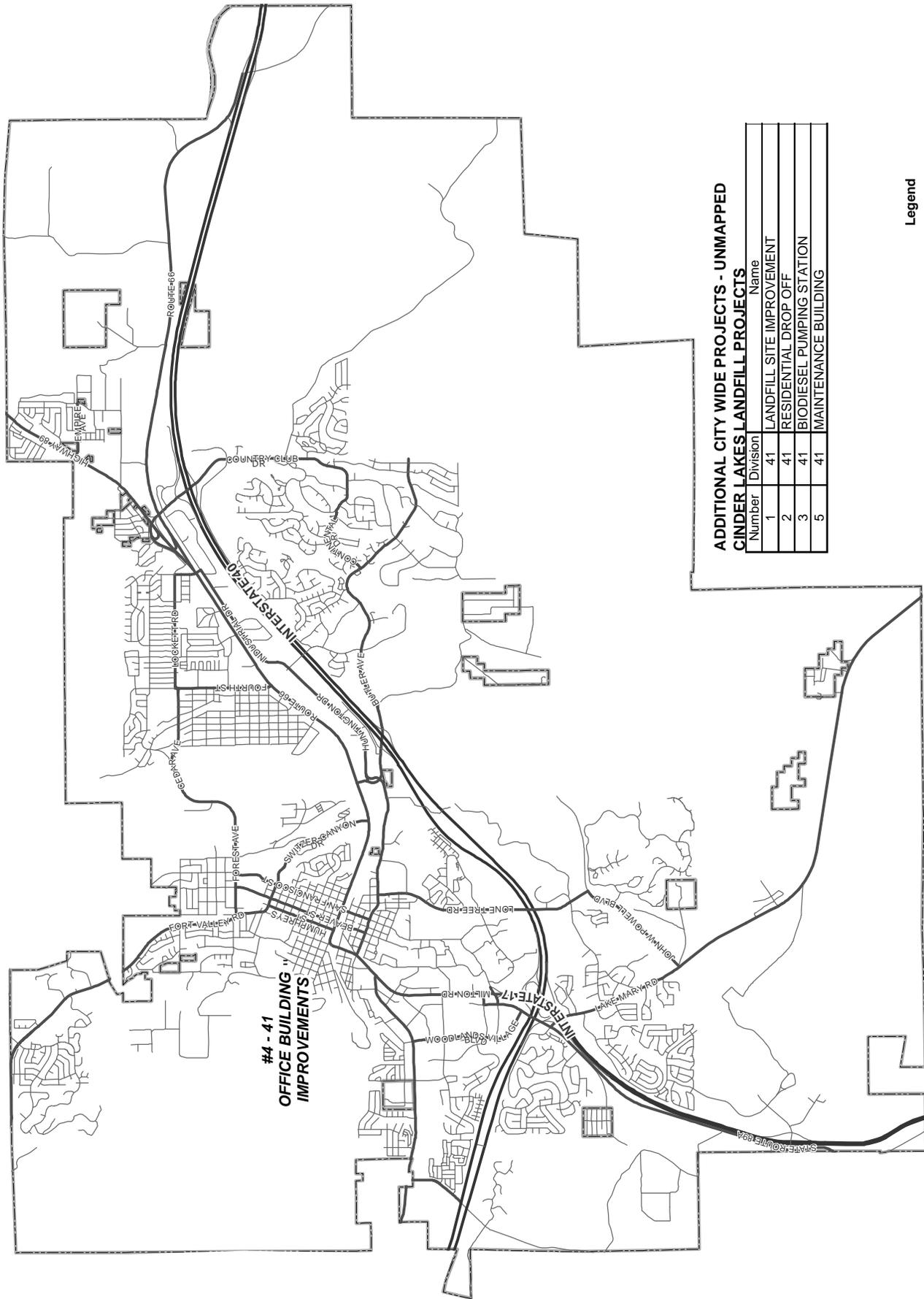
APPROPRIATIONS

| DIV | PROJECT                         | CARRYOVER<br>FY 2006 | BUDGET<br>FY 2007 |
|-----|---------------------------------|----------------------|-------------------|
| 1   | 41 LANDFILL SITE IMPROVEMENT    |                      | 80,000            |
| 2   | 41 RESIDENTIAL DROP OFF         | 81,164               | 81,164            |
| 3   | 41 BIODIESEL PUMPING STATION    | 14,000               | 14,000            |
| 4   | 41 OFFICE BUILDING IMPROVEMENTS | 187,452              | 187,452           |
| 5   | 41 MAINTENANCE BUILDING         | 485,473              | 485,473           |
|     | TOTAL ENVIRONMENTAL SERVICES    | <u>\$ 768,089</u>    | <u>\$ 848,089</u> |

SOURCES OF FUNDING

| DIV | PROJECT                         | OPERATING         | TOTAL             |
|-----|---------------------------------|-------------------|-------------------|
| 1   | 41 LANDFILL SITE IMPROVEMENT    | 80,000            | 80,000            |
| 2   | 41 RESIDENTIAL DROP OFF         | 81,164            | 81,164            |
| 3   | 41 BIODIESEL PUMPING STATION    | 14,000            | 14,000            |
| 4   | 41 OFFICE BUILDING IMPROVEMENTS | 187,452           | 187,452           |
| 5   | 41 MAINTENANCE BUILDING         | 485,473           | 485,473           |
|     | TOTAL ENVIRONMENTAL SERVICES    | <u>\$ 848,089</u> | <u>\$ 848,089</u> |

**ENVIRONMENTAL SERVICES PROJECTS  
CAPITAL IMPROVEMENT PROGRAM  
FY 2006-2007**



**ADDITIONAL CITY WIDE PROJECTS - UNMAPPED**

**CINDER LAKES LANDFILL PROJECTS**

| Number | Division | Name                      |
|--------|----------|---------------------------|
| 1      | 41       | LANDFILL SITE IMPROVEMENT |
| 2      | 41       | RESIDENTIAL DROP OFF      |
| 3      | 41       | BIODIESEL PUMPING STATION |
| 5      | 41       | MAINTENANCE BUILDING      |

- Legend**
- Interstate
  - Primary Road; Primary/Major Hwy; Secondary/Minor Hwy
  - Local Road; Private Right of Way; Ramp; Forest Service; NAU
  - City Limits
- 1 inch equals 6,500 feet

SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2006-2007

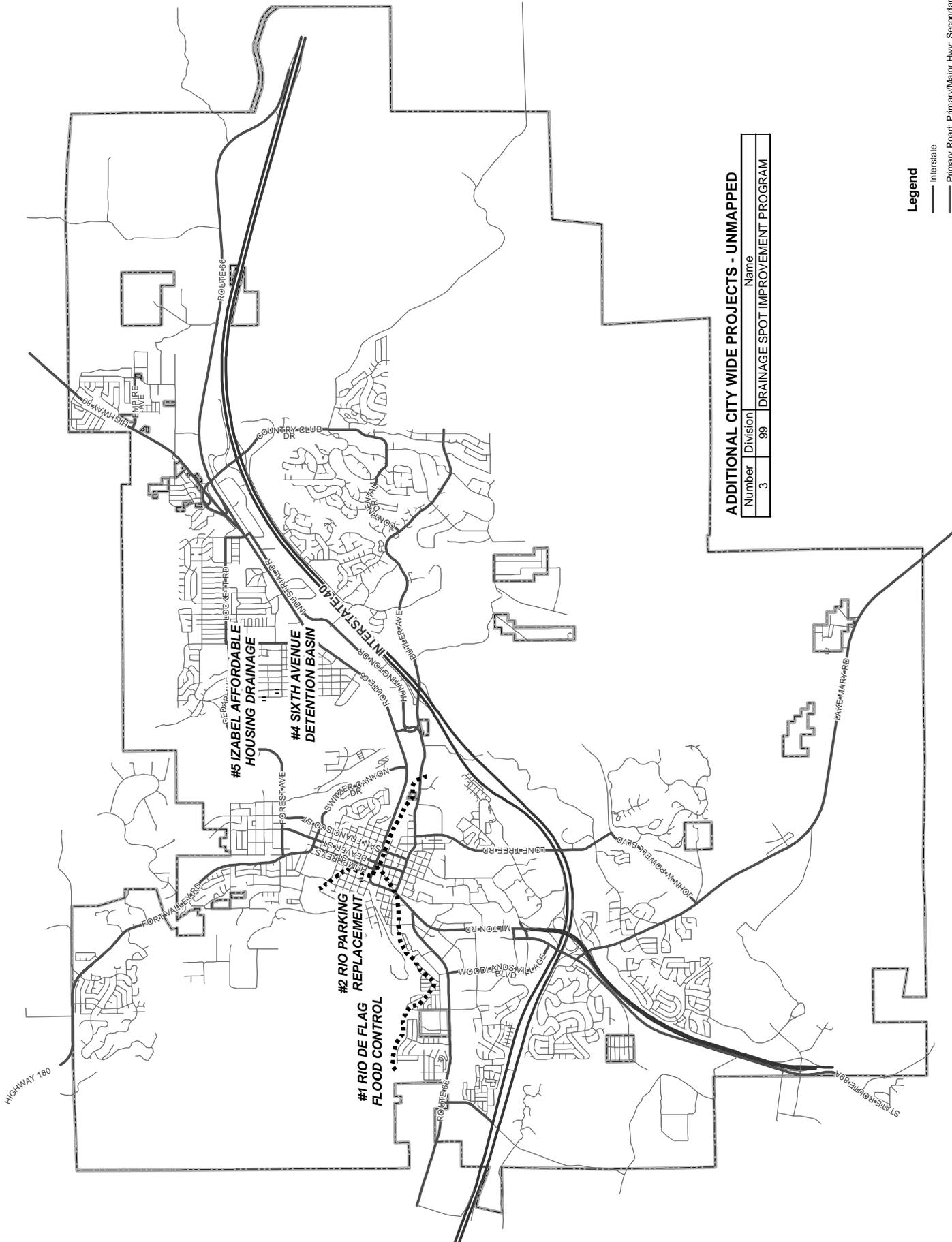
**STORMWATER UTILITY  
APPROPRIATIONS**

|                          |                                       | CARRYOVER           | BUDGET              |
|--------------------------|---------------------------------------|---------------------|---------------------|
|                          |                                       | FY 2006             | FY 2007             |
| DIV                      | PROJECT                               |                     |                     |
| 1                        | 34 RIO DE FLAG FLOOD CONTROL          | 6,360,899           | 6,360,899           |
| 2                        | 34 RIO PARKING REPLACEMENT            | 1,200,000           | 1,200,000           |
| 3                        | 99 DRAINAGE SPOT IMPROVEMENT          |                     | 250,000             |
| 4                        | 99 SIXTH AVENUE DETENTION BASIN       |                     | 5,000               |
| 5                        | 99 ISABEL AFFORDABLE HOUSING DRAINAGE |                     | 20,000              |
| TOTAL STORMWATER UTILITY |                                       | <u>\$ 7,560,899</u> | <u>\$ 7,835,899</u> |

SOURCES OF FUNDING

|                          |                                       | OPERATING      | GEN FUND         | OTHER    | TOTAL            |
|--------------------------|---------------------------------------|----------------|------------------|----------|------------------|
| DIV                      | PROJECT                               |                |                  |          |                  |
| 1                        | 34 RIO DE FLAG FLOOD CONTROL          | \$ -           | 6,360,899        |          | 6,360,899        |
| 2                        | 34 RIO PARKING REPLACEMENT            | -              | 1,200,000        |          | 1,200,000        |
| 3                        | 99 DRAINAGE SPOT IMPROVEMENT          | 250,000        |                  |          | 250,000          |
| 4                        | 99 SIXTH AVENUE DETENTION BASIN       | 5,000          |                  |          | 5,000            |
| 5                        | 99 ISABEL AFFORDABLE HOUSING DRAINAGE | 20,000         |                  |          | 20,000           |
| TOTAL STORMWATER UTILITY |                                       | <u>275,000</u> | <u>7,560,899</u> | <u>-</u> | <u>7,835,899</u> |

**STORMWATER PROJECTS  
CAPITAL IMPROVEMENT PROGRAM  
FY 2006-2007**



**ADDITIONAL CITY WIDE PROJECTS - UNMAPPED**

| Number | Division | Name                              |
|--------|----------|-----------------------------------|
| 3      | 99       | DRAINAGE SPOT IMPROVEMENT PROGRAM |

- Legend**
- Interstate
  - Primary Road; Primary/Major Hwy; Secondary/Minor Hwy
  - Local Road; Private Right of Way; Ramp; Forest Service; NAU
  - City Limits
- 1 inch equals 6,500 feet

## FY 2007 PROJECT DESCRIPTIONS

### GENERAL GOVERNMENT

1. **Fire Stations Bond 2004:** Fire station relocation as authorized bond 2004 Bond Program.
2. **Aquatic / Multi-Generational Center:** Construction of approximately 50 square feet. Recreation center including leisure pool, fitness area and gym as well as facilities for meeting and recreational classes. Building will be located on NE corner of Fourth Street and Industrial.
3. **FUTS/Open Space Acquisition:** Acquire approximately 750 acres of core open space for FUTS trails as well as for protection of critical open space lands.
4. **USGS Office / Lab Building:** Construction of USGS building that will in turn be leased back to GSA.
5. **Business Incubator:** Develop regional business incubator facility with grant assistance from EDA creating partnership and assisting in the creation of new business.
6. **Adult Center Renovation:** Renovate the existing facility at Thorpe Park to enhance service provided to community.
7. **Redevelopment Land Acquisition:** Purchase of property for redevelopment opportunities.

### STREETS/TRANSPORTATION

1. **Cummings Street:** Improvements related to the East Flagstaff Interchange improvements made by ADOT.
2. **Railhead 4<sup>th</sup> Leg at 89N:** Provide intersection improvements opposite the relocated mall entrance and access for existing business located at the northwest side of US 89N.
3. **Reserve for Improvements:** Annual allocation for unprogrammed street improvements and/or City participation in projects of other agencies (i.e.: ADOT, BNSF, NAU).
4. **Annual Sidewalk Replacement Program:** Provides replacement of curb, gutter and sidewalk in cases where property owners contribute 50% of replacement costs.
5. **Annual Street Maintenance:** Annual crack sealing, seal coating and asphalt overlay and ADA sidewalk compliance.

6. **Sunnyside PH IV:** Street and drainage construction throughout Sunnyside neighborhood in conjunction with utility replacements. Annual O&M costs are estimated to be \$500.
7. **Traffic Signal Modification:** Minor improvements such as turn lanes and signal upgrades at 3 locations.
8. **Route 66 Bus Pullouts:** Construction of Bus Pullouts, shelter pad, right of way as needed and reconstruction of sidewalks.
9. **Southside Traffic Improvements:** Provide traffic, pedestrian and/or bicycle improvements at South Beaver and San Francisco Streets. This will mitigate the effects of one-way traffic and is consistent with the Southside Redevelopment Plan.
10. **Fourth Street Rail Crossing:** The connections of the existing Fourth Street from Route 66 to Huntington/Industrial Drive via a grade separated crossing.
11. **Miscellaneous Safe to School:** As authorized by the transportation program 2000, generally includes traffic control and pedestrian improvements to enhance safety and accessibility in the vicinity of public school facilities. Some projects include City participation in F.U.S.D. projects that involve modifications and improvements located within the public right-of-way.
12. **Miscellaneous Bike Pedestrian Project:** Pedestrian improvements including Pine Knoll Drive and walk from Skydome Drive to Lone Tree Road and Woodlands Village Blvd sidewalk from West Route 66 to Forest Meadows Drive.
13. **Country Club Drive:** Landscape improvement for the Country Club drive median.
14. **Transportation Planning and Programming:** Review by the Capital Improvement Program Committee and the Citizens Transportation Advisory Committee allows for community wide transportation projects to be identified and prioritized based on needs assessment and public input. Transportation projects include pedestrian bikeways, urban trails and safe to school improvements. Projects that define the 5-year Capital Improvement Program have been identified and coordination process will be reviewed and updated on an annual basis.
15. **Huntington Dr Improvements Phase II:** This project will provide curb, gutter and asphalt pavement for Huntington Drive. This project will complete improvements for Huntington Drive that existed between the Butler Enterprise and Fourth Street Railroad crossing projects.

16. **East Flagstaff Gateway:** New roadway and re-alignment construction complements the East Flagstaff Gateway area redevelopment. Connecting Dodge Avenue to old Route 66 and providing additional access to the Mall via a new “loop” road that provides major connectors between old Route 66 and US 89, enhances traffic flow and provides infrastructure improvements to the existing industrial park. Preliminary design, site assessment and construction costs have been developed in conjunction with the approval of a Letter of Agreement between the City of Flagstaff and the developer enacted March 2003.
17. **Beulah Blvd R/W:** Land and right-of-way acquisition for the future extension of Beulah Blvd from Forest Meadows Drive to Yale Street at University Avenue as authorized by Transportation Program 2000.
18. **Downtown Rail Crossing Modifications:** Study to determine construction requirements necessary to eliminate train whistle noise pollution.
19. **Reserve for Improvements:** Annual allocation of transportation tax revenues for unidentified transportation related improvements and/or City participation in transportation related improvements of other agencies (i.e. ADOT, NAU, FMPD).
20. **Lake Mary Road/FH-3:** Interagency project including City, County and Federal highways to provide safety improvements at Lake Mary Road (Forest Highway 3) including reconstruction from Walapai Drive to southern city limits to provide pavement widening and shoulder improvements.
21. **Butler Ave/Fourth St Signal:** Installation of a new traffic signal at the intersection of Butler Avenue and south Fourth Street expected to be warranted with the completion of the Fourth Street rail crossing project and proposed land development South of Butler Avenue.
22. **I-40/Fourth Street Study:** Traffic system modeling and feasibility study to identify traffic circulation advantages and benefits that may be associated with an I-40 traffic interchange at Fourth Street.
23. **Commerce Avenue Paving:** Provide strip paving at existing Commerce Avenue east of Dodge Avenue I order to minimize maintenance costs associated with existing unpaved roadway. Surfacing of existing unpaved streets and roadways was included as an element of the transportation program 2000.
24. **Preston Road Paving:** Provide strip paving at Preston Avenue from Commerce Avenue to Empire Avenue I order to minimize maintenance costs associated with existing unpaved streets and roadways was included an element of the transportation program 2000.
25. **Industrial Drive/Fanning Wash Improvements:** In conjunction with the ADOT East Flagstaff Traffic Interchange Project, Identify and provide drainage facilities for the Fanning Drive wash at Industrial Drive to facilitate the conveyance of flood waters and surface drainage.
26. **Butler Ave Widening:** This is a corridor study for widening of Butler Avenue between Little America Hotel and Sinagua Heights.
27. **Branden and Gabel Paving:** Provide engineering, design services and construction documents for the paving of Brandon Ave. and Gabel St. in the Southside neighborhood.
28. **West Sixth Intersection:** Intersection, pedestrian and traffic signal improvements.
29. **Industrial Drive/Fanning to Eagle Mountain:** Provide engineering and construction services for the paving of Industrial Dr. from Fanning to Eagle Mountain Drive.

### **BBB**

1. **Special Projects (Neighborhoods):** Annual program covering small projects, such as plant replacements as needed, miscellaneous projects, such as historic façade improvements, Twin Arrows sign, Route 66 street light design and partnered contributions throughout the City. Also includes some Clean and Green projects.
2. **Historic Facades Signs:** Part of downtown historic improvements projects includes improvements to buildings and purchase of the Twin Arrow Signs.
3. **City Gateways:** Design and construct gateway monument sign installation s at major entries into City, and freeway corridor improvements as desired and approved
4. **Neon Corridor:** Part of Route 66 street light design conception.
5. **US 89 Streetscape – Railhead to Snowflake:** This project will provide approximately 6,500 linear feet of 10-foot wide concrete, multi-use path along US 89 N from Railhead Avenue to snowflake. The path is a joint project of the City of Flagstaff and ADOT.
6. **Redevelopment Opportunities:** Annual contribution for redevelopment projects, such as Route 66 or other redevelopment opportunities as identified by City Council.
7. **East Flag TI Corridor Enhancements:** Gateway, bicycle and pedestrian enhancements associated with ADOTS East Flag TI reconstruction.

8. **Special Projects:** Project located throughout the City related to the Urban Trail System.
9. **Sign Program:** Beautification portion of Route 66 neon signs.
10. **Private Development:** Donation for development of FUTS trail within Catholic Church development plan.
11. **McMillian Mesa Trailhead:** The Arizona trail passes through McMillian Mesa. This trailhead will serve as the point where these two trails intersect.
12. **Rio North Trail - Crescent to Observatory Mesa:** This project will provide a link to the Blue Willow portion of the FUTS trail.
13. **Ft Valley Trail – Sechrist to Freemont:** US 180, northeast side, Sechrist school to Valley Crest.
14. **McMillan Mesa System:** Providing a link between FUTS and Arizona Trail Systems.
15. **Rt 66 Trail - Rio North Trail to San Francisco:** Trail located along reconstruction realignment from Birth to San Francisco including a crossing under BNSF tracks.
16. **Santa Fe Trail – West Village to Walnut:** New bike/pedestrian under crossing at Walnut and a new steel bridge on the north side of railroad at Sitgreaves.
17. **Santa Fe Trail – Walnut to Rio:** South side of BNSF west to railroad bridge to observatory mesa to west end of Rio north trail. Includes mitigations at Railroad Bridge.
18. **Rio Blue Willow to Hwy 180:** This project will provide a link for the FUTS over the Rio de Flag canyon on the Museum of Northern Arizona property.
19. **Lil A Arizona Trail to Herold:** Link FUTS trail from Little America to Arizona Trail System. (Herold Road).
20. **Visitor Center Repairs/Remodel:** Replace pavers along backside of Visitor Center and Amtrak Station. Current pavers are broken, chipped, uneven and a safety hazard.
21. **Thorpe Park Improvements:** Thorpe Park Master Plan, and Phase I renovation project to improve existing softball fields, restroom, parking, walkways, lighting, multi-purpose field, etc. (central section of park). It is anticipated that the majority of Phase I construction funds will be used to improve the lighting and ensure accessibility.

## **WATER**

1. **Land Acquisition:** Property acquisition.
2. **Inner Basin Pipeline:** Replace approximately 14 miles of concrete pipe with iron pipe city crews replace approximately ½ mile each year.
3. **Water Plant Remodel:** Construct Multi-use conference room, upgrade existing restroom to meet ADA requirements and add additional restroom.
4. **Reservoir Filtration Plant Roof:** Repair damaged roof for chlorine storage area.
5. **Talkington/Lynn/Elizabeth Waterline:** Replace approximately 1,800 feet of 2 inch galvanized mains with 8 inch PVC main.
6. **Sunnyside:** Replacement of undersized waterlines in Sunnyside. Project includes drainage, sewer, sidewalks, and street improvements.
7. **CC College/NAU Waterline:** Approximately 1,600 feet of 12 inch waterline from Coconino Community College to the NAU system to be located in Lone Tree Road.
8. **Lake Mary Road Utility Relocates:** Various utility relocates to accommodate Forest Service road widening project located between Lake Mary Road from water plant to cattle guard.
9. **Sunnyside Phase V:** Replacement of undersized waterlines in Sunnyside. Project includes drainage, sewer, sidewalk, and street improvements in locations where waterlines are being replaced.
10. **Franklin Waterline:** Replacement of galvanized pipe with PVC pipe and add fire hydrant location: Franklin Avenue from Beaver to Lone Tree Road.
11. **Reserve for Improvements:** Annual reserve for unanticipated line replacements and over sizing that may occur.
12. **Town Well #5:** Equipment for the Rio de Flag well.
13. **Future Water Acquisition:** Acquisition of water rights, water ranch, or development of the Redwall Aquifer.
14. **Water Wells:** Design, drilling, and equipping of additional water wells authorized by voters in the May 2004 general election.
15. **Railroad Springs Reservoir:** Participation with the developer of the Presidio Project to upsize the reservoir from 500,000 gallons to 1,000,000 gallons.
16. **Well House and Power for Lake Mary Well #7:** Equip Lake Mary well number 7 and run power to it.

17. **Chlorine Dioxide:** A water treatment system project.
18. **LM Wellfield #2:** Design and construct 12" pipeline from LM #2 to raw water pump station.
19. **LTESWTR Evaluation:** Long term enhanced service water treatment rule requiring ultra violet disinfection process to eliminate the crypto-sporrdeum.
20. **Solar Bees – 2 Upper Lake Mary:** Two solar powered asrators.
21. **USGS Survey:** Monitoring water inflow into Lake Mary.

## WASTEWATER

1. **WC Upgrade/Reclaim Extensions:** Upgrade plant to include nitrogen removal. Class A reclaimed water, extend reclaim lines, change filters at Rio Plant, additional sludge digester and SSB at Wildcat.
2. **WC Primary Tank Pipe Hangar:** Replacement of rusted pipe hangars in the Primary clarifiers.
3. **WC Digester Piping Replacement:** Replacement of gas piping throughout the plant.
4. **Primary Clarifier Coating:** Apply protective coating to interior walls of two digesters. Includes raising the floating covers.
5. **Rebuild Primary Clarifier Mechs:** Upgrade of SCADA system for plant.
6. **Septage Treat Pkg PLT:** Replacement of sludge removal dredge. Used to remove sludge from stabilization basins. Annual O&M costs estimated to be \$4,000.
7. **Picture Canyon:** Realign Rio de Flag channel to original configuration.
8. **Grease Treatment:** A new treatment system at Wildcat Hill.
9. **Solar Bees:** Solar powered water aerators for Lake Mary and Wilcat Ponds.
10. **WC Crackseal/Chipseal:** Crackseal and chipseal access road to plant.
11. **Reclaim Hydrants:** Install five hydrants on the reclaimed water system for construction and fire fighting.
12. **Xeriscape Project:** Installation of low water use landscaping.

13. **Walgreen's Sewer Replace:** Upsize approximately 1000' of sewer to handle capacity requirements.
14. **Huntington Drive Sewer Upsize:** Upsize sewer from MH8-006 to R-002.
15. **Continental Outfall Sewer:** Upsize line between manholes MH#17-008 downstream to MH17-001.
16. **Buffalo Park Tank:** Paint Buffalo Park reservoir.
17. **Reserve for Improvements:** Annual reserve for unanticipated line replacements, over sizing, and development participation that may occur.

## AIRPORT

1. **Glycol Recovery Apron:** Provide recovery system fro glycol and other particulates due to deicing and washing of airplanes on the tarmac.
2. **Glycol Recovery Gen Aviation:** Provide recovery system fro glycol and other particulates in the vicinity of terminal area.
3. **Airport Signage Upgrade:** Replacement and update of way finding signs at airport.
4. **JWP / Pulliam Widening:** Widening of John Wesley Powell between Shamrell and Pulliam Drive.
5. **Design Runway Extension:** Construct new parallel taxiway north fro terminal to the end of runway 21. Install appropriate lighting and marking, approximately 4,000 feet by 50 feet. Install new connecting taxiways and remove old taxiway pavements. Annual O&M costs estimated to be \$10,000.
6. **Echo-Foxtrot Drainage:** Correct drainage issues in the vicinity of the Echo Foxtrot hangars.
7. **ARFF Building:** Construct airport rescue/fire facility with equipment bay administrative area, access road, and parking lot.

## ENVIRONMENTAL SERVICES

1. **Landfill Site Improvements:** This project is do purchase a fuel storage tank and fueling system.
2. **Residential Drop Off:** This will provide an alternative dumping site for residents.
3. **Biodiesel Pumping Station:** Fueling station to better assist in the Landfill operations.
4. **Office Building Improvements:** Various office space renovations and building improvements.
5. **Maintenance Building:** Provide a space for landfill operations and maintenance of landfill equipment.

## **STORMWATER**

1. **Rio De Flag Flood Control:** In conjunction with the US Army Corps of Engineers, the project consist of design and construction of flood damage reduction improvements on the Rio de Flag and Clay Avenue wash as identified in the Feasibility Study and Environmental Impact Study.
2. **Rio Parking Replacement:** Replacement of parking spaces lost to the Rio Project.
3. **Drainage Spot Improvement Program:** As the result of recent flooding citywide. Stormwater staff is proposing a spot improvement program to mitigate certain localized flooding problems.
4. **Sixth Avenue Detention Basin:** Design and construction of a multi-use detention facility.
5. **Isabel Affordable Housing Drainage:** Reconstruct existing open channel drainage to underground culvert(s) leading into the Sixth Avenue detention basin.

**CITY OF FLAGSTAFF  
CAPITAL IMPROVEMENT PROGRAM SUMMARY  
FISCAL YEARS 2007-2012**

|                           | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | Budget<br>2007-2008 | Budget<br>2008-2009 | Budget<br>2009-2010 | Budget<br>2010-2011 | Budget<br>2011-2012 | Total<br>Plan      |
|---------------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|
| Beginning Balance         | -                   | -                     | -                   | -                   | -                   | -                   | -                   | -                   | -                  |
| <b>Resources</b>          |                     |                       |                     |                     |                     |                     |                     |                     |                    |
| Debt                      | 49,488,718          | 3,554,764             | 44,747,569          | 23,749,000          | 3,458,200           | 18,629,758          | -                   | 13,159,000          | 103,743,527        |
| Grants                    | 11,022,928          | 3,617,278             | 12,700,186          | 15,018,314          | 2,144,880           | 7,995,000           | 8,875,000           | 2,107,500           | 48,840,880         |
| Pay-as-you-go             | 48,540,419          | 32,414,373            | 51,011,236          | 22,607,956          | 23,929,409          | 11,544,733          | 9,944,352           | 14,323,982          | 133,361,668        |
| <b>Total Resources</b>    | <b>109,052,065</b>  | <b>39,586,415</b>     | <b>108,458,991</b>  | <b>61,375,270</b>   | <b>29,532,489</b>   | <b>38,169,491</b>   | <b>18,819,352</b>   | <b>29,590,482</b>   | <b>285,946,075</b> |
| <b>Expenditures</b>       |                     |                       |                     |                     |                     |                     |                     |                     |                    |
| General Government        | 14,026,716          | 2,251,944             | 26,889,422          | 16,671,000          | 13,542,000          | 14,673,000          | 535,000             | 15,194,000          | 87,504,422         |
| Streets/Transportation    | 28,008,699          | 18,641,060            | 16,884,933          | 7,436,300           | 7,027,200           | 7,313,600           | 4,691,600           | 6,150,000           | 49,503,633         |
| BBB                       | 9,103,161           | 2,722,810             | 14,447,260          | 1,715,669           | 1,114,889           | 1,239,889           | 1,004,889           | 1,361,219           | 20,883,815         |
| Utilities: Water          | 23,046,978          | 9,710,652             | 17,059,175          | 5,835,350           | 1,230,700           | 1,789,100           | 734,800             | 1,264,500           | 27,913,625         |
| Utilities: Wastewater     | 15,621,594          | 3,552,354             | 14,924,203          | 11,739,900          | 1,070,100           | 3,161,100           | 2,599,400           | 3,688,600           | 37,183,303         |
| Airport                   | 9,053,038           | 1,397,198             | 9,570,010           | 14,176,191          | 4,500,000           | 9,440,000           | 8,695,555           | 1,655,555           | 48,037,311         |
| Environmental Services    | 930,664             | 76,575                | 848,089             | -                   | -                   | -                   | -                   | -                   | 848,089            |
| Stormwater Utility        | 9,261,215           | 1,233,822             | 7,835,899           | 3,800,860           | 1,047,600           | 552,802             | 558,108             | 276,608             | 14,071,877         |
| <b>Total Expenditures</b> | <b>109,052,065</b>  | <b>39,586,415</b>     | <b>108,458,991</b>  | <b>61,375,270</b>   | <b>29,532,489</b>   | <b>38,169,491</b>   | <b>18,819,352</b>   | <b>29,590,482</b>   | <b>285,946,075</b> |
| Ending Balance            | -                   | -                     | -                   | -                   | -                   | -                   | -                   | -                   | -                  |

**CITY OF FLAGSTAFF  
CAPITAL IMPROVEMENT PROGRAM LISTING  
FISCAL YEARS 2007-2012**

|                                       | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | Budget<br>2007-2008 | Budget<br>2008-2009 | Budget<br>2009-2010 | Budget<br>2010-2011 | Budget<br>2011-2012 | Total<br>Plan     |
|---------------------------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|
| <b>General Government</b>             |                     |                       |                     |                     |                     |                     |                     |                     |                   |
| <b>GENERAL FUND</b>                   |                     |                       |                     |                     |                     |                     |                     |                     |                   |
| Police/Sheriff Facility<br>Facilities | 37,243              | 37,243                | -                   | 400,000             | 400,000             | 400,000             | 400,000             | 400,000             | 2,000,000         |
| Redevelopment                         | 2,095,053           | -                     | 3,221,053           | 135,000             | 135,000             | 135,000             | 135,000             | 135,000             | 3,221,053         |
| Parks (ADA Compliance)                |                     |                       |                     |                     |                     |                     |                     |                     | 675,000           |
| <b>General Fund Bond Fund</b>         |                     |                       |                     |                     |                     |                     |                     |                     |                   |
| USGS Bond 2004                        | 505,477             | 15,029                | -                   | 11,249,000          | -                   | 12,167,000          | -                   | 13,159,000          | 36,575,000        |
| Fire Stations                         | 3,915,166           | 797,128               | 8,985,654           | 2,150,000           | 2,007,000           | 471,000             | -                   | -                   | 13,613,654        |
| Aquatic/Multi-Gen Center              | 878,503             | 823,331               | 7,856,295           | -                   | -                   | -                   | -                   | -                   | 7,856,295         |
| Aquatic Center                        | 1,257,804           | 123,510               | -                   | 1,237,000           | 4,500,000           | -                   | -                   | -                   | 5,737,000         |
| FUTS/Open Space Acquisitions          | 1,481,294           | 77,841                | 1,422,321           | 500,000             | -                   | 1,500,000           | -                   | 1,500,000           | 4,922,321         |
| USGS Office/Lab                       | -                   | 75,000                | 1,000,680           | -                   | -                   | -                   | -                   | -                   | 1,000,680         |
| Business Incubator                    | -                   | 40,700                | 3,364,919           | -                   | -                   | -                   | -                   | -                   | 3,364,919         |
| Adult Center Renovation               | -                   | 61,500                | 1,038,500           | -                   | -                   | -                   | -                   | -                   | 1,038,500         |
| Observatory Mesa                      | -                   | -                     | -                   | 1,000,000           | 5,500,000           | -                   | -                   | -                   | 5,500,000         |
| Parks Acquisition                     | -                   | -                     | -                   | 1,000,000           | 1,000,000           | -                   | -                   | -                   | 2,000,000         |
| <b>Real Estate Proceeds</b>           |                     |                       |                     |                     |                     |                     |                     |                     |                   |
| Land Acquisition                      | 1,175,900           | -                     | -                   | -                   | -                   | -                   | -                   | -                   | -                 |
| Redevelopment Land Acquisition        | 1,126,000           | 662                   | -                   | -                   | -                   | -                   | -                   | -                   | -                 |
| Fire Department Land Acquisition      | 200,000             | 200,000               | -                   | -                   | -                   | -                   | -                   | -                   | -                 |
| <b>Total General Government</b>       | <b>12,672,440</b>   | <b>2,251,944</b>      | <b>26,889,422</b>   | <b>16,671,000</b>   | <b>13,542,000</b>   | <b>14,673,000</b>   | <b>535,000</b>      | <b>15,194,000</b>   | <b>87,504,422</b> |

**CITY OF FLAGSTAFF  
CAPITAL IMPROVEMENT PROGRAM LISTING  
FISCAL YEARS 2007-2012**

|                                      | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | Budget<br>2007-2008 | Budget<br>2008-2009 | Budget<br>2009-2010 | Budget<br>2010-2011 | Budget<br>2011-2012 | Total<br>Plan |
|--------------------------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------|
| <b>Streets/Transportation</b>        |                     |                       |                     |                     |                     |                     |                     |                     |               |
| <b>Streets</b>                       |                     |                       |                     |                     |                     |                     |                     |                     |               |
| Cummings Street                      | 235,000             | -                     | 82,932              | -                   | -                   | -                   | -                   | -                   | 82,932        |
| Railhead 4th Leg at 89N              | 348,430             | 65,555                | 557,348             | -                   | -                   | -                   | -                   | -                   | 557,348       |
| E. Route 66 - CC to Walnut           | 75,000              | -                     | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| Curb, Gutter, Sidewalk               | 15,000              | 38,843                | 15,000              | 15,000              | 15,000              | 15,000              | 15,000              | 15,000              | 90,000        |
| Overlay                              | 2,134,630           | 2,409,814             | 1,915,724           | 2,075,000           | 2,075,000           | 2,125,000           | 2,125,000           | 2,275,000           | 12,590,724    |
| Enterprise/Butler Reconstruction     | -                   | 1,700                 | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| Southside Traffic Improvements       | -                   | -                     | 300,000             | 200,000             | -                   | -                   | -                   | -                   | 500,000       |
| ADA Compliance                       | 176,649             | 333,766               | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| Sunnyside                            | -                   | 3,550                 | -                   | 1,044,000           | 965,000             | 900,000             | -                   | -                   | 2,909,000     |
| Sunnyside Phase III-B                | 1,449,667           | 1,691,153             | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| Sunnyside Phase 4                    | 429,507             | 20,000                | 1,439,282           | -                   | -                   | -                   | -                   | -                   | 1,439,282     |
| Traffic Signal Modification          | -                   | -                     | 100,000             | -                   | -                   | -                   | -                   | -                   | 100,000       |
| Bus Pullouts                         | 322,700             | 317,740               | 137,510             | -                   | -                   | 180,000             | -                   | -                   | 317,510       |
| Reserve for Improvements             | 50,000              | 2,500                 | 50,000              | 25,000              | 25,000              | 25,000              | 25,000              | 25,000              | 175,000       |
| <b>Transportation</b>                |                     |                       |                     |                     |                     |                     |                     |                     |               |
| 4th Street Overpass                  | 10,121,685          | 10,121,685            | 2,840               | -                   | -                   | -                   | -                   | -                   | 2,840         |
| Misc Safe to School                  | 219,894             | 98,084                | 160,496             | -                   | -                   | -                   | -                   | -                   | 160,496       |
| Misc Bike/Ped                        | 406,839             | 58,000                | 409,271             | -                   | -                   | -                   | -                   | -                   | 409,271       |
| Sollere Avenue                       | -                   | 14,269                | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| Country Club Drive                   | 36,500              | 10,500                | 70,000              | -                   | -                   | -                   | -                   | -                   | 70,000        |
| Dirt Streets Program                 | -                   | 184                   | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| Transportation Planning & Programing | 161,671             | 126,500               | 145,175             | 75,000              | 75,000              | 75,000              | 75,000              | 60,000              | 505,175       |
| Empire Avenue Extension              | 278,835             | 665,155               | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| Lone Tree Road Study                 | 22,526              | 60,000                | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| Huntington Drive Improvements        | 848,888             | 183,000               | 1,548,188           | 770,000             | -                   | -                   | -                   | -                   | 2,318,188     |
| East Flagstaff Gateway               | 7,599,464           | 1,500,000             | 6,100,000           | -                   | -                   | -                   | -                   | -                   | 6,100,000     |
| Beulah Blvd. Extension               | 583,000             | 583,000               | 554,000             | 525,800             | 497,200             | 968,600             | 1,100,000           | -                   | 3,645,600     |
| Downtown Pavers                      | 75,000              | 75,000                | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| Street Light Luminaire Replacement   | 100,000             | 50,215                | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| Downtown Rail Crossing Modifications | 128,175             | 65,000                | 662,785             | 290,000             | -                   | -                   | -                   | -                   | 952,785       |
| Reserve for Improvements             | 25,000              | 2,500                 | 25,000              | 25,000              | 25,000              | 25,000              | 25,000              | 25,000              | 150,000       |
| Lake Mary Rd/FH 3                    | 60,707              | 12,000                | 45,795              | -                   | -                   | -                   | -                   | -                   | 45,795        |
| Butler Ave./4th Street Signal        | 200,637             | 35,000                | 237,807             | -                   | -                   | -                   | -                   | -                   | 237,807       |
| I-40/Fourth St TI Planning Studies   | 58,375              | -                     | 50,000              | -                   | -                   | -                   | -                   | -                   | 50,000        |
| Lone Tree Road Reconstruction        | -                   | -                     | -                   | -                   | -                   | -                   | -                   | 500,000             | 500,000       |
| Commerce Ave. Paving                 | 469,794             | 25,000                | 274,702             | -                   | -                   | -                   | -                   | -                   | 274,702       |
| Preston Road Paving                  | 171,727             | 25,015                | 95,559              | -                   | -                   | -                   | -                   | -                   | 95,559        |
| Industrial Drive/Fanning Wash        | 406,815             | 13,702                | 470,064             | -                   | -                   | -                   | -                   | -                   | 470,064       |
| Butler Ave Widening                  | 401,263             | 32,630                | 552,570             | 1,043,000           | 3,000,000           | 3,000,000           | -                   | -                   | 7,595,570     |

|   | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | Budget<br>2007-2008 | Budget<br>2008-2009 | Budget<br>2009-2010 | Budget<br>2010-2011 | Budget<br>2011-2012 | Total<br>Plan     |
|---|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|
| <b>Streets/Transportation (continued)</b>   |                     |                       |                     |                     |                     |                     |                     |                     |                   |
| Branden & Gabel Paving                      |                     | -                     | 49,662              | -                   | -                   | -                   | -                   | -                   | 49,662            |
| West/Sixth Intersection                     |                     | -                     | 106,291             | 600,000             | -                   | -                   | -                   | -                   | 706,291           |
| Industrial Drive-Fanning to Eagle Mtn Drive |                     | -                     | 726,932             | 40,000              | -                   | -                   | -                   | -                   | 766,932           |
| Steves Blvd Rail X-ing Study                |                     | -                     | -                   | 160,000             | -                   | -                   | -                   | -                   | 160,000           |
| Brannen Ave. Paving                         |                     | -                     | -                   | 230,000             | -                   | -                   | -                   | -                   | 230,000           |
| Butler Ave. Bike Lanes                      | 395,321             | -                     | -                   | -                   | -                   | -                   | -                   | -                   | -                 |
| Gabel Street Paving                         |                     | -                     | -                   | 68,500              | -                   | -                   | -                   | -                   | 68,500            |
| New Traffic Signal PGM                      |                     | -                     | -                   | 250,000             | 250,000             | -                   | 250,000             | -                   | 500,000           |
| No Name Street Paving                       | -                   | -                     | -                   | 250,000             | -                   | -                   | -                   | -                   | 250,000           |
| Thorpe Road Edge Improvements               |                     | -                     | -                   | -                   | 100,000             | -                   | -                   | -                   | 100,000           |
| Country Club/Oakmont                        |                     | -                     | -                   | -                   | -                   | -                   | -                   | 600,000             | 600,000           |
| West Arrowhead Improvements                 |                     | -                     | -                   | -                   | -                   | -                   | 1,076,600           | 2,650,000           | 3,726,600         |
| <b>Total Streets/Transportation</b>         | <b>28,008,699</b>   | <b>18,641,060</b>     | <b>16,884,933</b>   | <b>7,436,300</b>    | <b>7,027,200</b>    | <b>7,313,600</b>    | <b>4,691,600</b>    | <b>6,150,000</b>    | <b>49,503,633</b> |

**CITY OF FLAGSTAFF  
CAPITAL IMPROVEMENT PROGRAM LISTING  
FISCAL YEARS 2007-2012**

|  | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | Budget<br>2007-2008 | Budget<br>2008-2009 | Budget<br>2009-2010 | Budget<br>2010-2011 | Budget<br>2011-2012 | Total<br>Plan |
|--|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------|
| <b>BBB</b>                                       |                     |                       |                     |                     |                     |                     |                     |                     |               |
| Beautification                                   |                     |                       |                     |                     |                     |                     |                     |                     |               |
| Special Projects                                 | 25,000              | 38,110                | 50,000              | 25,000              | 25,000              | 25,000              | 25,000              | 25,000              | 243,650       |
| Historic Facades                                 | 118,650             | 50,000                | 118,650             | -                   | -                   | -                   | -                   | -                   | -             |
| Route 66 Streetlight Design                      | 30,000              | 30,000                | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| Twin Arrow Signs                                 | 25,000              | 25,000                | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| City Gateways Signs                              | 40,000              | 40,000                | 80,000              | -                   | -                   | -                   | -                   | -                   | 80,000        |
| Openspace Restoration                            | 40,000              | -                     | -                   | -                   | 30,000              | 30,000              | 30,000              | 30,000              | 120,000       |
| Neon Sign Program                                | 30,000              | -                     | 60,000              | -                   | -                   | -                   | -                   | -                   | 60,000        |
| Route 66 - Elden To San Francisco (Incl 2 Spot)  | -                   | -                     | -                   | -                   | -                   | -                   | -                   | 681,219             | 681,219       |
| Route 66 East - Country Club to Mall Trail       | 79,072              | -                     | -                   | -                   | -                   | -                   | 215,000             | -                   | 215,000       |
| Route 66 - Enterprise To Arrowhead II            | -                   | -                     | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| Route 66-Enterprise/Butler                       | -                   | 1,367                 | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| US 89 Railroad to Snowflake                      | 1,048,498           | 76,000                | 1,069,648           | -                   | -                   | -                   | -                   | -                   | 1,069,648     |
| Redevelopment Opportunity Fund                   | 50,000              | -                     | 100,000             | 50,000              | 50,000              | 50,000              | 50,000              | 50,000              | 350,000       |
| E Flag Tl Adot Corridor                          | 1,175,000           | 8,715                 | 3,191,443           | 25,000              | 25,000              | 25,000              | 25,000              | 25,000              | 3,316,443     |
| Rio Wetlands and Public Access                   | -                   | -                     | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| FUTS-Special Projects(Development Agreements)    | -                   | 600                   | 58,000              | 25,000              | 25,000              | 25,000              | 25,000              | 25,000              | 183,000       |
| FUTS-Signage                                     | 335,488             | -                     | 335,488             | 327,266             | -                   | -                   | -                   | -                   | 662,754       |
| FUTS-Private Development                         | 150,000             | -                     | 150,000             | -                   | -                   | -                   | -                   | -                   | 150,000       |
| FUTS-McMillian Mesa Trailhead                    | -                   | -                     | 50,000              | -                   | -                   | -                   | -                   | -                   | 50,000        |
| FUTS-Rio North - Crescent to Observatory Mesa Tr | 282,315             | 45,000                | 282,400             | -                   | -                   | -                   | -                   | -                   | 282,400       |
| FUTS-Fort Valley Trail (Sechrist to Fremont)     | 893,360             | 125,000               | 538,851             | -                   | -                   | -                   | -                   | -                   | 538,851       |
| FUTS-Tunnel Springs Trail                        | -                   | 32,383                | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| FUTS-Mc Millian Mesa (Bridge)                    | 540,737             | 902,205               | 78,877              | -                   | -                   | -                   | -                   | -                   | 78,877        |
| FUTS-RT66 Tr-Rio North Tr to San Francisco       | 76,152              | 41,058                | 596,439             | -                   | -                   | -                   | -                   | -                   | 596,439       |
| FUTS-Lonetree Tr-Sawmill Rd Sinclair Wash Tr     | -                   | 2,000                 | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| FUTS-Santa Fe -West Village to Walnut BNSF       | 210,000             | 27,000                | 910,743             | 384,889             | 384,889             | 384,889             | 384,889             | 384,889             | 2,450,299     |
| FUTS-Santa Fe West -Walnut to Rio N - ADOT       | 214,135             | 145,000               | 1,410,142           | -                   | -                   | -                   | -                   | -                   | 1,410,142     |
| FUTS-Hospital Rim Trail                          | -                   | -                     | -                   | 100,000             | -                   | -                   | -                   | -                   | 100,000       |
| FUTS-Rio North - Blue Willow to Hwy 180          | 141,454             | 65,268                | 353,019             | -                   | -                   | -                   | -                   | -                   | 353,019       |
| FUTS-Little A - Az Trail to Herold Rn Rd         | -                   | -                     | 24,878              | 53,514              | -                   | -                   | -                   | -                   | 78,392        |
| FUTS-Lone Tree Sinclair to Arroyo Park Trail     | -                   | -                     | -                   | 300,000             | -                   | -                   | -                   | -                   | 300,000       |
| FUTS -Lone Tree Butler to Sinclair Wash          | -                   | -                     | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| FUTS-Lake Mary Zuni Trail to JWP                 | -                   | -                     | -                   | -                   | 450,000             | 450,000             | -                   | -                   | 900,000       |
| FUTS-JWP Spur JWP To Bow & Arrow Trail           | -                   | -                     | -                   | -                   | -                   | -                   | -                   | 500,000             | 500,000       |
| FUTS-JWP Lone Tree To AZ Trail                   | -                   | -                     | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| FUTS-Switzer Mesa Turquoise to Ponderosa Pk      | -                   | -                     | -                   | -                   | -                   | -                   | -                   | -                   | -             |
| FUTS-Bow & Arrow CCC to Az Trail                 | -                   | -                     | -                   | 500,000             | -                   | 225,000             | 225,000             | -                   | 450,000       |
| FUTS-Fort Valley Trail (Kendrick to Sechrist)    | -                   | -                     | -                   | 25,000              | 25,000              | 25,000              | 25,000              | 25,000              | 500,000       |
| Unprogrammed Work                                | -                   | -                     | -                   | 25,000              | 25,000              | 25,000              | 25,000              | 25,000              | 125,000       |
| TOURISM  |                     |                       |                     |                     |                     |                     |                     |                     |               |
| Visitor Center Repairs/Remodel                   | -                   | 116,982               | 199,537             | -                   | -                   | -                   | -                   | -                   | 199,537       |
| RECREATION                                       |                     |                       |                     |                     |                     |                     |                     |                     |               |
| Thorpe Park                                      | 2,699,087           | 951,122               | 4,809,145           | -                   | -                   | -                   | -                   | -                   | 4,809,145     |
|  | 8,203,948           | 2,722,810             | 14,447,260          | 1,715,669           | 1,114,889           | 1,239,889           | 1,004,889           | 1,361,219           | 20,883,815    |

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|                                       | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | Budget<br>2007-2008 | Budget<br>2008-2009 | Budget<br>2009-2010 | Budget<br>2010-2011 | Budget<br>2011-2012 | Total<br>Plan     |
|---------------------------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|
| <b>Water/Wastewater</b>               |                     |                       |                     |                     |                     |                     |                     |                     |                   |
| Water                                 |                     |                       |                     |                     |                     |                     |                     |                     |                   |
| Purch of Property Rights-Watershed    | 20,000              | 20,000                | 20,000              | 20,000              | 20,000              | 20,000              | 20,000              | 20,000              | 120,000           |
| Inner Basin Pipeline                  | 301,001             | -                     | 401,000             | -                   | -                   | -                   | -                   | -                   | 401,000           |
| Renovation of Chlorine Storage        | 200,000             | 6,875                 | 193,125             | -                   | -                   | -                   | -                   | -                   | 193,125           |
| Roof Replacement-Chlorine Storage     | 20,000              | 2,220                 | 17,780              | -                   | -                   | -                   | -                   | -                   | 17,780            |
| Mail Infrastructure                   | 766,000             | 766,000               | -                   | -                   | -                   | -                   | -                   | -                   | -                 |
| Waterline Relocations                 | 319,063             | 8,000                 | 10,626              | -                   | -                   | -                   | -                   | -                   | 10,626            |
| Black Barts/Sinagua Hts Waterline     | -                   | 2,765                 | -                   | -                   | -                   | -                   | -                   | -                   | -                 |
| Foxgeinn/Skyview Waterline            | -                   | 3,023                 | -                   | -                   | -                   | -                   | -                   | -                   | -                 |
| Sunnyside Improvements                | 1,335,083           | 185,302               | 2,927,993           | -                   | -                   | -                   | -                   | -                   | 2,927,993         |
| Mohawk Dr Waterline                   | -                   | -                     | -                   | 72,200              | -                   | -                   | -                   | -                   | 72,200            |
| Elm Street Waterline                  | -                   | -                     | -                   | 117,800             | -                   | -                   | -                   | -                   | 117,800           |
| CC College/NAU Waterline              | 349,905             | 25,892                | 452,108             | -                   | 405,700             | -                   | -                   | -                   | 452,108           |
| Ponderosa Trails to Airport W/L       | -                   | -                     | -                   | -                   | -                   | -                   | -                   | -                   | 405,700           |
| Talkington/Lynn/Elizabeth Waterline   | 700,144             | 130,000               | 923,288             | 189,500             | -                   | -                   | -                   | -                   | 923,288           |
| Benton/SF Alley/Elden Waterline       | -                   | -                     | -                   | -                   | -                   | -                   | -                   | -                   | 189,500           |
| Franklin Waterline (Beaver/Lone Tree) | -                   | -                     | -                   | -                   | -                   | -                   | -                   | -                   | 189,500           |
| N. San Francisco Alley Waterline      | -                   | -                     | 232,336             | -                   | -                   | -                   | -                   | -                   | 232,336           |
| Park Street Waterline (Santa Fe/Dale) | -                   | -                     | -                   | -                   | 69,500              | -                   | -                   | -                   | 69,500            |
| Aspen Waterline (Sitgreaves/Aztec)    | -                   | -                     | -                   | -                   | 301,200             | -                   | -                   | -                   | 301,200           |
| RFP/Turquoise Waterline               | -                   | -                     | -                   | -                   | 301,200             | -                   | -                   | -                   | 301,200           |
| Beaver Street WL (Phoenix/Dupont)     | -                   | -                     | -                   | -                   | -                   | 1,632,000           | -                   | -                   | 1,632,000         |
| Pinal/Papago Alley Waterline          | -                   | -                     | -                   | -                   | -                   | -                   | 319,600             | -                   | 319,600           |
| SCADA                                 | -                   | -                     | -                   | -                   | -                   | -                   | 157,700             | -                   | 157,700           |
| Reserve                               | 121,796             | 60,000                | 125,400             | 129,200             | 133,100             | 137,100             | 141,200             | 145,400             | 811,400           |
| Town Well #5                          | 400,000             | 400,000               | 110,000             | -                   | -                   | -                   | -                   | -                   | 110,000           |
| East Reservoir Demolition             | 85,000              | 50,000                | -                   | -                   | -                   | -                   | -                   | -                   | -                 |
| Railroad Springs Reservoir            | 507,454             | -                     | 507,454             | -                   | -                   | -                   | -                   | -                   | 507,454           |
| Water Production Wells                | 2,273,031           | 100,350               | 3,003,000           | 5,306,650           | -                   | -                   | -                   | -                   | 8,309,650         |
| Woody Mtn Arsenic Removal             | 448,501             | -                     | -                   | -                   | -                   | -                   | -                   | -                   | -                 |
| LM Wellfield-LM#2 12" Pipeline        | -                   | -                     | 389,365             | -                   | -                   | -                   | -                   | -                   | 389,365           |
| LTESWTR Evaluation                    | -                   | -                     | 60,000              | -                   | -                   | -                   | -                   | -                   | 60,000            |
| Gas Chromatograph                     | -                   | -                     | -                   | -                   | -                   | -                   | 96,300              | -                   | 96,300            |
| Flocculator Drive Assemblies          | -                   | -                     | -                   | -                   | -                   | -                   | -                   | 413,200             | 413,200           |
| Clarifier Drive Assemblies            | -                   | -                     | -                   | -                   | -                   | -                   | -                   | 495,900             | 495,900           |
| Solar Bees                            | -                   | -                     | 100,000             | -                   | -                   | -                   | -                   | -                   | 100,000           |
| Future Water Rights                   | 15,000,000          | 7,920,225             | 7,114,700           | -                   | -                   | -                   | -                   | -                   | 7,114,700         |
| LM Well #7 Bldg and Power             | 200,000             | 30,000                | 200,000             | -                   | -                   | -                   | -                   | -                   | 200,000           |
| LM USGS Survey                        | -                   | -                     | 161,000             | -                   | -                   | -                   | -                   | -                   | 161,000           |
| Chlorine Dioxide                      | -                   | -                     | 110,000             | -                   | -                   | -                   | -                   | -                   | 110,000           |
| <b>TOTAL WATER</b>                    | <b>23,046,978</b>   | <b>9,710,652</b>      | <b>17,059,175</b>   | <b>5,835,350</b>    | <b>1,230,700</b>    | <b>1,789,100</b>    | <b>734,800</b>      | <b>1,264,500</b>    | <b>27,913,625</b> |
| <b>Wastewater</b>                     |                     |                       |                     |                     |                     |                     |                     |                     |                   |
| Wildcat Crackseal                     | 32,174              | 32,174                | 32,174              | -                   | -                   | -                   | -                   | -                   | 96,522            |
| Primary Tank Pipe Hinge-WC            | 60,000              | -                     | 60,000              | -                   | -                   | -                   | -                   | -                   | 120,000           |
| WC Treatment Upgrade/Rec Conn         | 12,701,482          | 2,323,328             | 12,000,000          | 9,550,000           | -                   | -                   | -                   | -                   | 36,574,810        |
| Replacement Dredge                    | -                   | -                     | -                   | 195,600             | -                   | -                   | -                   | -                   | 195,600           |
| Rio Plant Clear/Skim Modifier         | 100,000             | 69,592                | -                   | -                   | -                   | -                   | -                   | -                   | 169,592           |

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| Water/Wastewater                   | Budget            | Estimate          | Budget            | Budget            | Budget           | Budget           | Budget           | Budget           | Total             |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|-------------------|
|                                    | 2005-2006         | 2005-2006         | 2006-2007         | 2007-2008         | 2008-2009        | 2009-2010        | 2010-2011        | 2011-2012        | Plan              |
| Wildcat Digester Pipe Replace      | 725,883           | -                 | 115,928           | -                 | -                | -                | -                | -                | 841,811           |
| Wildcat Primary rebuild            | 374,427           | -                 | 374,427           | -                 | -                | -                | -                | -                | 748,854           |
| Wildcat Septage Treatment          | 316,650           | -                 | 316,650           | -                 | -                | -                | -                | -                | 633,300           |
| Wildcat Primary Clarifier Coating  | 173,891           | -                 | 173,891           | -                 | -                | -                | -                | -                | 347,782           |
| Wildcat Piping Replacement         | -                 | -                 | -                 | 119,400           | 253,400          | -                | -                | -                | 372,800           |
| Wildcat Blast and Mortar Wash      | -                 | -                 | -                 | 153,700           | -                | -                | -                | -                | 153,700           |
| Rio Plant SCADA                    | -                 | -                 | -                 | -                 | -                | 179,100          | -                | -                | 179,100           |
| Rio Plant Chipseal                 | -                 | -                 | -                 | -                 | 31,700           | -                | -                | -                | 31,700            |
| Wildcat Crackseal & SSBs           | -                 | -                 | -                 | -                 | 62,600           | -                | -                | -                | 62,600            |
| Coat Wildcat Digestors             | -                 | -                 | -                 | -                 | 145,700          | 154,600          | -                | -                | 300,300           |
| Wildcat Crackseal                  | -                 | -                 | -                 | -                 | -                | -                | 46,400           | -                | 46,400            |
| Paint Buffalo Park Reservoir       | -                 | -                 | -                 | -                 | -                | -                | -                | -                | 98,500            |
| Expand Reclaimed System            | -                 | -                 | -                 | -                 | -                | -                | -                | 1,194,100        | 1,194,100         |
| Reclaimed Storage                  | -                 | -                 | -                 | -                 | -                | -                | -                | 2,388,100        | 2,388,100         |
| Wildcat Landscaping                | -                 | -                 | -                 | 63,700            | -                | -                | -                | -                | 63,700            |
| Primary Pump Station Replace       | -                 | -                 | -                 | 106,100           | -                | -                | -                | -                | 106,100           |
| Picture Canyon                     | -                 | -                 | 150,000           | -                 | -                | -                | -                | -                | 150,000           |
| Grease Treatment                   | -                 | -                 | 400,000           | -                 | -                | -                | -                | -                | 400,000           |
| Solar Bees                         | -                 | -                 | 50,000            | -                 | -                | -                | -                | -                | 50,000            |
| Mall Infrastructure                | 766,000           | 766,000           | -                 | -                 | -                | -                | -                | -                | 1,532,000         |
| SCA Reclaim/Sewer                  | 100,000           | 270,000           | -                 | -                 | -                | -                | -                | -                | 370,000           |
| Xeriscape Projects                 | 50,000            | -                 | 50,000            | -                 | -                | -                | -                | -                | 100,000           |
| Arrowhead/Mt. View Sewer           | -                 | 2,105             | -                 | -                 | -                | -                | -                | -                | 2,105             |
| Reclaim Hydrants                   | 131,967           | -                 | 130,000           | -                 | -                | -                | -                | -                | 261,967           |
| Waigreens Sewer Replacement        | -                 | -                 | 268,072           | -                 | -                | -                | -                | -                | 268,072           |
| Huntington/Old Pit Sewer Upsize    | -                 | -                 | 303,544           | -                 | -                | -                | -                | -                | 303,544           |
| Rio Outfall                        | -                 | -                 | -                 | 742,600           | -                | 787,900          | -                | -                | 1,530,500         |
| Continental Outfall Sewer          | -                 | -                 | 237,717           | -                 | -                | -                | -                | -                | 237,717           |
| Mike's Pike Sewer                  | -                 | -                 | -                 | 214,000           | -                | -                | -                | -                | 214,000           |
| Terrace/Birch Sewer                | -                 | -                 | -                 | 202,700           | 332,000          | -                | -                | -                | 534,700           |
| Lower Greenlaw Sewer               | -                 | -                 | -                 | 297,600           | -                | -                | -                | -                | 297,600           |
| Phoenix Sewer (Beaver/SF)          | -                 | -                 | -                 | -                 | 147,300          | -                | -                | -                | 147,300           |
| South Beaver Street Sewer          | -                 | -                 | -                 | -                 | -                | 159,900          | -                | -                | 159,900           |
| Upper Greenlaw Phase II            | -                 | -                 | -                 | -                 | -                | 759,000          | -                | -                | 759,000           |
| West Side Interceptor Improvements | -                 | -                 | -                 | -                 | -                | 1,020,300        | -                | -                | 1,020,300         |
| Circle View Sewer                  | -                 | -                 | -                 | -                 | -                | -                | 313,800          | -                | 313,800           |
| San Francisco Sewer Replace        | -                 | -                 | -                 | -                 | -                | -                | 122,300          | -                | 122,300           |
| Hillside Sewer Replacement         | -                 | -                 | -                 | -                 | -                | -                | 114,200          | -                | 114,200           |
| Cherry Hill Sewer Replacement      | -                 | -                 | -                 | -                 | -                | -                | 463,700          | -                | 463,700           |
| N Sunnyside Sewer Replacement      | -                 | -                 | -                 | -                 | -                | -                | 1,337,200        | -                | 1,337,200         |
| Buffalo Pk Tk Reserve              | 89,120            | 89,155            | 170,000           | -                 | -                | -                | -                | -                | 170,000           |
| Total Wastewater                   | 15,621,594        | 3,552,354         | 14,924,203        | 11,739,900        | 1,070,100        | 3,161,100        | 2,599,400        | 3,688,600        | 37,183,303        |
| <b>TOTAL WATER AND WASTEWATER</b>  | <b>38,668,572</b> | <b>13,263,006</b> | <b>31,983,378</b> | <b>17,575,250</b> | <b>2,300,800</b> | <b>4,950,200</b> | <b>3,334,200</b> | <b>4,953,100</b> | <b>65,096,928</b> |

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|                                  | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | Budget<br>2007-2008 | Budget<br>2008-2009 | Budget<br>2009-2010 | Budget<br>2010-2011 | Budget<br>2011-2012 | Total<br>Plan     |
|----------------------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|
| <b>Airport</b>                   |                     |                       |                     |                     |                     |                     |                     |                     |                   |
| Master Plan Update               | 60,000              | 161,870               | -                   | -                   | -                   | -                   | -                   | -                   | -                 |
| Relocation 80 x 100 Hangar       | 2,280,000           |                       |                     |                     |                     |                     |                     |                     | -                 |
| Land Acquisition                 |                     |                       |                     |                     |                     | 1,140,000           | 1,140,000           |                     | 2,280,000         |
| West Hangar Area                 | 288,868             | 360,878               | -                   | -                   | -                   | -                   | -                   | -                   | -                 |
| Taxiiline Reconstruct            | -                   | -                     | -                   | 550,000             | 3,500,000           | -                   | -                   | -                   | 4,050,000         |
| East Parallel Taxiway South      |                     |                       |                     |                     | 1,000,000           |                     |                     |                     | 8,000,000         |
| East Parallel Taxiway North      |                     |                       |                     |                     |                     | 7,000,000           |                     |                     | 8,300,000         |
| Grnd Transp JWP/Pulliam Widening |                     |                       |                     |                     |                     | 1,300,000           | 7,000,000           |                     | 836,256           |
| Design/Constr ARFF               | 169,589             | 189,628               |                     |                     |                     |                     |                     |                     | 13,159            |
| Safety Area Rehab RW3            |                     | 534,171               | 836,256             |                     |                     |                     |                     |                     | -                 |
| Runway Extension                 |                     | 189,628               | 13,159              |                     |                     |                     |                     |                     | -                 |
| Perimeter Road Construction      | 6,174,581           | 10,651                | 7,100,000           | 7,626,191           | -                   | -                   | -                   | -                   | 14,726,191        |
| Aircraft Washrack                |                     |                       | 960,000             | 6,000,000           |                     |                     |                     |                     | 6,960,000         |
| Pavement Maintenance             | 140,000             | 140,000               | 440,726             |                     |                     |                     |                     |                     | 440,726           |
| Future Projects - ADOT           |                     |                       |                     |                     |                     |                     | 555,555             | 555,555             | 1,111,110         |
| Future Projects - FAA            |                     |                       |                     |                     |                     |                     |                     | 1,100,000           | 1,100,000         |
| Echo Foxtrot Drainage            |                     |                       |                     |                     |                     |                     |                     |                     | 219,869           |
| <b>TOTAL AIRPORT</b>             | <b>9,113,038</b>    | <b>1,397,198</b>      | <b>9,570,010</b>    | <b>14,176,191</b>   | <b>4,500,000</b>    | <b>9,440,000</b>    | <b>8,695,555</b>    | <b>1,655,555</b>    | <b>48,037,311</b> |

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|   | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | Budget<br>2007-2008 | Budget<br>2008-2009 | Budget<br>2009-2010 | Budget<br>2010-2011 | Budget<br>2011-2012 | Total<br>Plan  |
|---|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------|
| <b>Environmental Services</b>           |                     |                       |                     |                     |                     |                     |                     |                     |                |
| Office Building Improvements            | 200,000             | 12,548                | 187,452             | -                   | -                   | -                   | -                   | -                   | 187,452        |
| Maintenance Building - Project #414800  | 500,000             | 14,527                | 485,473             | -                   | -                   | -                   | -                   | -                   | 485,473        |
| Biodiesel Pumping Station               | 130,664             | 49,500                | 14,000              | -                   | -                   | -                   | -                   | -                   | 81,164         |
| Cinderlake Landfill Residential Dropoff | -                   | -                     | 81,164              | -                   | -                   | -                   | -                   | -                   | 81,164         |
| Fueling Station-Project #414501         | -                   | -                     | 80,000              | -                   | -                   | -                   | -                   | -                   | 80,000         |
| <b>Total Environmental Services</b>     | <b>830,664</b>      | <b>76,575</b>         | <b>848,089</b>      | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>848,089</b> |

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FISCAL YEARS 2007-2012**

|                                 | Budget<br>2005-2006 | Estimate<br>2005-2006 | Budget<br>2006-2007 | Budget<br>2007-2008 | Budget<br>2008-2009 | Budget<br>2009-2010 | Budget<br>2010-2011 | Budget<br>2011-2012 | Total<br>Plan     |
|---------------------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|
| <b>Stormwater Utility</b>       |                     |                       |                     |                     |                     |                     |                     |                     |                   |
| 6th Avenue Detention            | 378,974             | 426,116               | 5,000               | -                   | -                   | -                   | -                   | -                   | 5,000             |
| Walnut Meadows                  | 150,000             | 150,000               | -                   | -                   | -                   | -                   | -                   | -                   | -                 |
| Izabel Affordable Hsg Drainage  | 157,546             | 157,546               | 20,000              | -                   | -                   | -                   | -                   | -                   | 20,000            |
| Drainage Spot Improvement       | 267,456             | -                     | 250,000             | 255,000             | 260,100             | 265,302             | 270,608             | 276,608             | 1,577,618         |
| Rio De Flag                     | 7,107,239           | 500,160               | 6,360,899           | 3,545,860           | 787,500             | 287,500             | 287,500             | -                   | 11,269,259        |
| Rio Parking Replacement         | 1,200,000           | -                     | 1,200,000           | -                   | -                   | -                   | -                   | -                   | 1,200,000         |
| <b>Total Stormwater Utility</b> | <b>9,261,215</b>    | <b>1,233,822</b>      | <b>7,835,899</b>    | <b>3,800,860</b>    | <b>1,047,600</b>    | <b>552,802</b>      | <b>558,108</b>      | <b>276,608</b>      | <b>14,071,877</b> |

## FINANCING THE CAPITAL PLAN

The major sources of financing capital improvements in the upcoming fiscal year are:

|                 |       |
|-----------------|-------|
| Operating Funds | 47.0% |
| Debt Financing  | 41.3% |
| Grants          | 11.7% |

The rating agencies (Standard and Poors' Corp. and Moody Investors, Inc.) view 15% from operating funds as highly favorable. The City currently is financing 46.6% of its CIP out of operating funds. However, because of large funding requirements, debt financing still continues to be the major source of financing for capital improvements. A brief description of the major types of financing available and limitations as to use is presented below.

### GENERAL OBLIGATION (G.O.) BONDS

Bonds issued as general obligations of the City are secured by the full faith and credit of the City through its power to tax. In order for bonds to be issued, voter authorization must be obtained. Debt service (payment of principal and interest) is to be paid from the proceeds of ad valorem taxes, i.e., property taxes. The Arizona Constitution and State Statutes limit the indebtedness that a jurisdiction may incur by the type of project constructed. The City can issue G.O. bonds up to 20% of the secondary assessed valuation for projects involving water, sewer, artificial lighting, parks, open space, and recreational facilities. For all other general-purpose improvements, the City may issue up to 6% of its secondary assessed valuation. \$49 million is outstanding on July 1, 2006, and the City has \$23.2 million in available capacity at the 6% debt margin and \$89.6 million in available capacity at the 20% debt margin as of July 1, 2006.

### HIGHWAY USER REVENUE (HURF) BOND

The State distributes a share of the motor vehicle fuel tax to cities based partially on population (50% of allocation) and partially on jurisdiction of origin. This special revenue source can only be used for maintenance or construction of streets and highways. Special revenue bonds can be issued for construction of street projects, with the gas tax revenues pledged as a source of debt repayment. The annual total debt service, both principal and interest, cannot exceed 50% of the HURF distribution received for the most recent twelve month period by the City.

## JUNIOR LIEN BONDS PAYABLE FROM HIGHWAY USER TAX REVENUES

In order for the City to issue junior lien bonds, the City must have received Highway Users Tax Revenues in the twelve months preceding the issuance of the bonds in an amount equal to 1.5 times the highest annual debt service requirements (principal and interest) on all HURF bonds outstanding. Additionally, if coverage is not at least two times the highest debt service requirements, then the proposed bonds must bear a rating at the time of the issuance of "A" or better by one of the nationally recognized rating agencies. The City issued \$5.6 million of junior lien bonds in FY 1993 and \$5.6 million is outstanding as of July 2, 2006. The City may issue any combination of junior and senior lien bonds as long as the coverage requirements are satisfied. Approximately \$26.4 million in capacity is currently available in junior lien bonds or as senior lien bonds.

### WATER AND SEWER REVENUE BONDS

In addition to water/sewer G.O. bonds, the City can sell bonds that pledge utility revenues. Debt service requirements are paid from the net revenue derived by the City from the operations of its water and sewer system after provision has been made for the payment from such revenues of the reasonable and necessary expenses of the operation and maintenance of such systems. Therefore, there is no legal limitation on indebtedness that can be incurred; rather, there is only the practical limitations imposed by what the utility rate structures will support.

The \$40.7 million authorized by voters in November 1990 can be either G.O. bonds or revenue bonds. G.O. bonds accounted for \$33.9 million of the issuance. The \$6.8 million remaining authorization was sold in FY 2003 through the Water Infrastructure Financing Authority (WIFA). The City is pledging the revenue of its water and wastewater system.

### SPECIAL IMPROVEMENT/ASSESSMENT DISTRICTS

Special improvements/assessments are a means of financing services or capital improvements that benefit specific property owners more than the general public. Majority consent must be obtained from the property owners within the designated geographic assessment district. These property owners are then levied a supplemental property tax assessment for their share of the costs of the improvements. The City is currently assessing two districts.

## **MUNICIPAL FACILITIES CORPORATION (MFC) BONDS**

The Flagstaff Municipal Facilities Corporation, Inc. (MFC) is a not for profit corporation over which the City exercises significant oversight authority. It was formed to assist the City in acquiring land and constructing improvements thereon, constructing and acquiring improvements upon land owned by the City, and in any other way incurring expenses to improve the use of presently owned facilities, or as they may be expanded in the future. The City Charter requires that to construct projects, with the exception of utilities, public safety and street facilities in excess of \$1 million require voter approval. The \$1 million limit is adjusted annually by the consumer price index at July 1 of each year. The estimated amount July 1, 2006 is \$2 million.

The Corporation finances various projects for the benefit of the City by issuing MFC bonds. Bonds may be issued without voter approval and without limitation as to interest rate or amount. The City enters into a rental lease agreement with the corporation sufficient to service the debt on the MFC bonds. The bonds are made marketable by assuring, prior to entering into any lease agreement with the MFC, the City will maintain an excise, transaction privilege, and franchise tax base at least three times the maximum annual debt service.

Most municipalities in Arizona have utilized this method of financing to construct major public projects such as municipal complexes, civic centers, and sports complexes. In September 1997, voters approved \$4.7 million in MFC Bonds for the construction of a facility to be leased by USGS. The City issued these bonds in FY 2001 and \$3.6 million is still outstanding. In May 2000, the City received voter authorization to issue \$25 million in bonds for the construction of an overpass at 4th Street. The City issued these bonds in FY 2004, and \$22.0 million is still outstanding.

## **CERTIFICATES OF PARTICIPATION**

This type of financing is often used for lease purchases and is very similar to bond financing. An official statement for the certificates is prepared, which very closely resembles bond-offering statements. Proceeds from the certificates are remitted through a trust and per the lease agreement to the lessor. Lease payments are made to the trustee who then remits the appropriate funds to the certificate holders. Additionally, the trust holds an assignment agreement with the lessor to protect the investors. Certificates of Participation are often brokered through private placements to hold down issuance costs.

## **LEASE FINANCING**

Under this type of debt financing, a governmental entity enters into a contractual arrangement with the issuer to construct or otherwise acquire facilities and/or

equipment that is needed by the entity. Ordinarily, all operation and maintenance costs are the responsibility of the lessee (borrower).

The lease terms are generally structured such that the rental payments are sufficient to meet debt service costs as well as any administrative expenses. Usually a reserve fund is set-aside at inception as security to obtain a competitive interest rate.

Typically, lease financing is used for acquisition of major capital equipment, e.g., computer systems, fire apparatus, which are very expensive and have a useful life greater than five years but typically are not expected to have a useful life as long as the terms of bonds issued.

## **GRANTS**

Grants are contributions of cash or other assets from another governmental entity to be used or expended for a specified purpose, activity, or facility. Grants can be either capital grants or operating grants. Capital grants are for the acquisition or construction of fixed assets and usually require some local effort match. All other grants are considered operating grants. Grants have specific compliance requirements including prescribing the activities allowed and not allowed, eligibility requirements, matching level of effort or earmarking requirements, reporting requirements, and special provisions to be taken into consideration.

The current expansion at Pulliam Airport is being financed with proceeds from the sale of airpark property and ADOT and FAA grants. Major funding for the City's various affordable housing programs is provided through HOME and Community Development Block grants. The City has also received major funding for a streetscape project under the ISTEA (Intermodal Surface Transportation Efficiency) grant.

**Block Grant Programs:** The Federal government distributes grant funds under eight omnibus block grant programs. With the 1995 Census, HUD designated Flagstaff as an Entitlement Community. This designation allows the City to receive funding directly from HUD. These funds will be used primarily for low income housing repair and construction and infrastructure in low-income neighborhoods.

## **INTERGOVERNMENTAL AGREEMENTS (IGA)**

Infrastructure needs may, at times, overlap different jurisdictional boundaries. Jurisdictions then often enter into an IGA for the construction and proportionally shared payment of the project. One jurisdiction will act as primary lead agent for project management purposes. The Transportation Regional Plan and Storm Drainage Master Plan, in particular, may often require coordinated efforts between the City, Arizona Department of Transportation (ADOT) and Coconino County.

## STATE REVOLVING LOAN FUND

Arizona has established a revolving fund empowered to accept Federal capitalization grants for publicly owned wastewater treatment projects pursuant to the Federal Water Pollution Control Act and Water Quality Act. In order to qualify for the Federal monies, the State must match a 20% contribution into the fund. The WIFA that issues bonds that are then lent to different governmental entities to finance projects, manages Arizona's fund. Projects are submitted to WIFA for review, and prioritization. Based on this compilation, projects are then eligible for funding. The City previously received a \$6 million loan from these funds for the reclaimed water distribution system. The WIFA board approved an additional loan of \$6.8 million in water improvements. The City has applied for funding on the May 18 capital project ballot items.

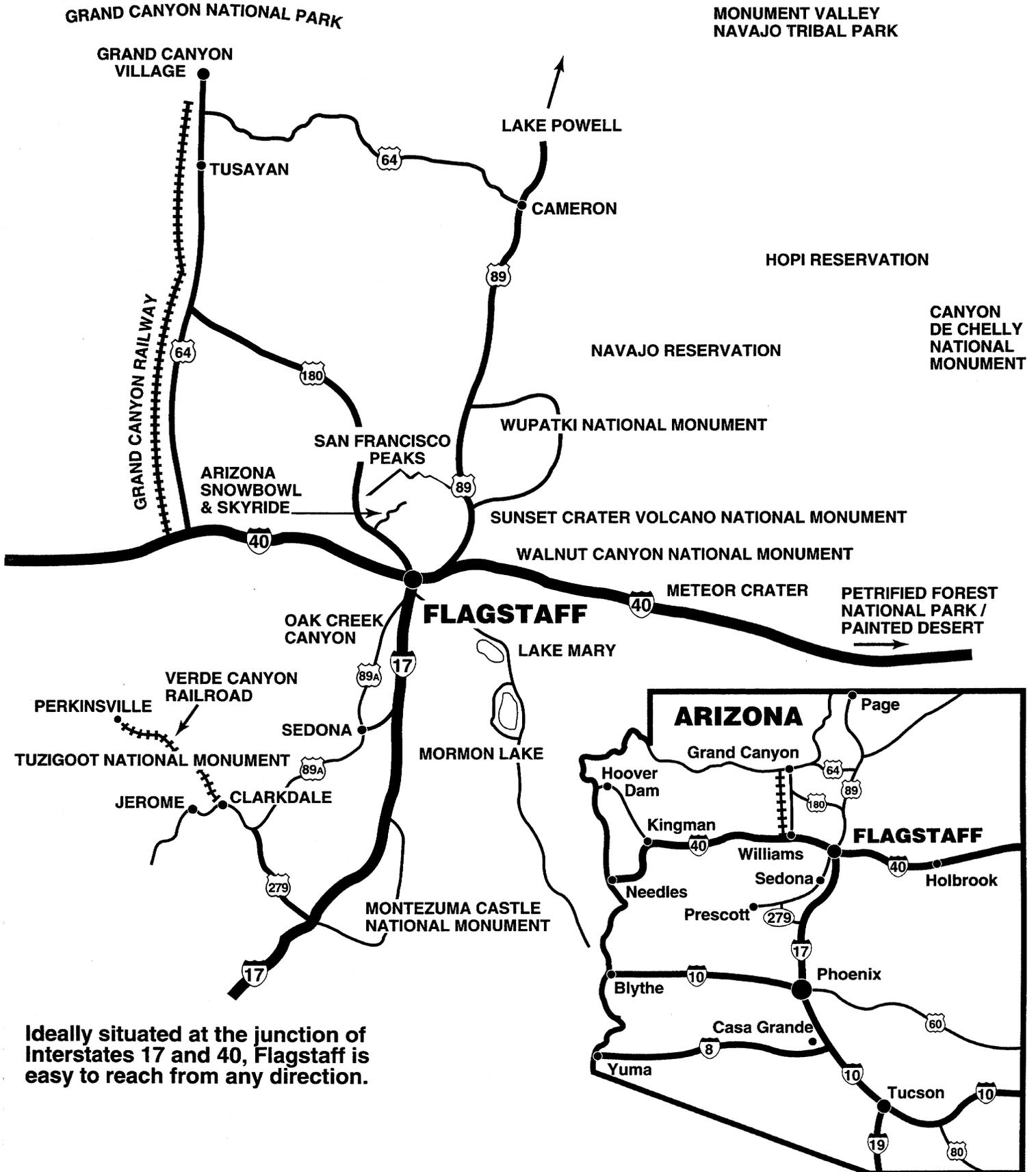
Another loan program available through the State is the Arizona State Transportation Board's Airport Revolving Loan Program. The loans are provided for airport-related construction projects not eligible for federal funding or under other programs and are designed to improve airport self-sufficiency. The City received a \$600,000 loan from these funds for the construction of an additional hangar.

## PAY AS YOU GO FINANCING

Projects funded on a pay as you go basis derive their financing from current revenue streams or prior savings that have been kept in fund balance. This method of financing eliminates the need for borrowing and thereby preserves debt capacity for other purposes. Costs are lower because non-debt financing does not incur interest costs. The major drawbacks of pay as you go financing include inadequacy of funds available (taxes, reserves); erratic impact on rate structures (water/sewer rates); legislative approval (formation of improvement district); and political difficulties (impact fees or other exactions).

The City is currently funding 47% of capital improvements on a pay as you go basis. Capital improvements that are considered ongoing improvements and maintenance required expenditures are built into the rate structure of the two enterprise funds (Utilities and Environmental Services). Additionally, the City has sinking reserve funds for landfill closure.

# Flagstaff Arizona



Ideally situated at the junction of Interstates 17 and 40, Flagstaff is easy to reach from any direction.

## Flagstaff Community Profile

Flagstaff, Arizona is located at the intersection of Interstate 17 and Interstate 40, and is the largest city in Northern Arizona. The city is also the regional center and county seat for Coconino County, the second largest county in the 48 contiguous states. The City of Flagstaff, becoming a town in 1894, incorporated as a city in 1928, and currently comprising of just over 64 square miles, is nestled at the base of the San Francisco Peaks and surrounded by one of the largest pine forests on earth. Flagstaff drew its name from a very tall pine tree made into a flagpole in 1876 to celebrate our nation's centennial. At nearly 7,000 feet, Flagstaff is also one of the highest elevation cities in the United States. The city is a year-round mecca for visitors and many Arizonans maintain second homes here.

### History

In 1855 Lieutenant Beale, in surveying a road from the Rio Grande in New Mexico to Fort Tejon in California, passed over the spot where Flagstaff now stands. While camping at the Eastern extremity of the present town, the lieutenant had his men cut the limbs from a straight pine tree in order to fly the United States flag.

The town's first recognized permanent settler, Thomas F. McMillan, arrived in 1876 and built a cabin at the base of Mars Hill. During the 1880's Flagstaff began to grow, opening its first post office and welcoming the booming railroad industry. The town had timber, sheep and cattle and by 1886 Flagstaff was the biggest city on the main line between Albuquerque and the West Coast.

In 1894, Dr. Percival Lowell chose Flagstaff, due to its great visibility, as the site for the now famous Lowell Observatory. Thirty-six years later, Pluto was discovered through the observatory's telescopes. The Arizona Teacher's College began in 1899, later becoming Northern Arizona University (1966). During the 1920's, Route 66 was built right through town making Flagstaff a popular tourist stop. Flagstaff was incorporated as a city in 1928.

Today, Flagstaff is a community rich with cultural diversity, beauty and history, as well as amazing educational, recreational and scientific opportunities.

### Weather

Flagstaff enjoys four distinct seasons. Moderate summer temperatures average twenty degrees less than Phoenix, and are punctuated with afternoon rain showers in July and August. The winter brings an average annual snowfall of 99.5 inches, much to the enjoyment of skiers, ice skaters and snowboarders. As the snow thaws into spring, blooming wildflowers are abundant and fragrant along Flagstaff's many hiking trails. Autumn is highlighted with the changing of the aspen leaves that transform the surrounding mountains into a golden tapestry of color. Flagstaff averages 282 days without precipitation each year, so it is not

surprising that our residents love the great outdoors, and the mild climate encourages year-round outdoor activities.

| Climate<br>Month | Average Temperature |            | Average<br>Precipitation |
|------------------|---------------------|------------|--------------------------|
|                  | Daily Max.          | Daily Min. |                          |
| January          | 42.6                | 16.0       | 2.05                     |
| February         | 45.1                | 18.1       | 2.10                     |
| March            | 49.9                | 21.9       | 2.22                     |
| April            | 58.0                | 27.1       | 1.30                     |
| May              | 67.7                | 33.8       | 0.68                     |
| June             | 78.0                | 41.1       | 0.49                     |
| July             | 81.9                | 50.3       | 2.49                     |
| August           | 79.0                | 49.1       | 2.88                     |
| September        | 73.8                | 41.3       | 1.94                     |
| October          | 63.6                | 31.0       | 1.60                     |
| November         | 51.0                | 22.1       | 1.73                     |
| December         | 43.7                | 16.4       | 1.94                     |
| Year (average)   | 61.2                | 30.7       | 21.42                    |

*Source: Western Regional Climate Center (Jan. 1950-Dec. 2005)*

### Economic Information

Flagstaff is a governmental, educational, transportation, cultural and commercial center. Government is one of the largest employment sectors. Tourism is also a large employer as the city sees over 5,000,000 visitors a year. In addition, the City houses Northern Arizona University and other scientific and high tech research and development industries.

NAU, the largest employer in the City, has a major economic impact annually. The campus is used year-round and hosts many professional athletes, e.g., Arizona Cardinals and Phoenix Suns, and Olympic athletes that choose Flagstaff as training site because of the climate, altitude, and available facilities. The University, in partnership with the City of Flagstaff and the State of Arizona, has institutionalized this with the development of the High Altitude Sports Training Center. The Center invites athletes worldwide to train at our 7,000 feet elevation, which has proven to offer a competitive advantage. The Center offers facilities, health assessments, and other services to these international athletes.

| Population      | 1990      | 2000      | 2005      |
|-----------------|-----------|-----------|-----------|
| Flagstaff       | 45,857    | 52,894    | 61,185    |
| Coconino County | 96,591    | 116,320   | 130,530   |
| Arizona         | 3,665,228 | 5,130,632 | 6,044,985 |

*Sources: Arizona Department of Economic Security and U.S. Census Bureau*

Five business and industrial parks are situated with excellent access to the Interstates (I-40 and I-17). One additional site resides within 15 miles of the City limits. Major manufacturers include W.L. Gore & Associates (of Gortex renown), manufacturer of medical equipment; Nestle Purina Petcare Products, manufacturer of pet

food; SCA Tissue, manufacturer of tissue paper; and Joy Cone, manufacturer of ice cream cones.

| <b>Business Licenses</b>              | <b>June 2006</b> |
|---------------------------------------|------------------|
| Misc. Retail                          | 2,073            |
| Construction Contracting              | 1,871            |
| Service Related (Business Licenses)   | 1,605            |
| Rentals                               | 836              |
| Home Furnishings                      | 489              |
| BBB                                   | 382              |
| Auto Sales, Parts, etc.               | 327              |
| Advertising, Publishing, and Printing | 166              |
| Food Stores                           | 155              |
| Building Materials                    | 147              |
| Franchise Accounts                    | 111              |
| Clothing Stores                       | 93               |
| Drug and Liquor Stores                | 16               |
| General Merchandising Stores          | 18               |
| <b>Total</b>                          | <b>8,289</b>     |

Source: City of Flagstaff, Tax, Licensing, and Revenue Division

Total sales generated by Flagstaff businesses reached \$3.28 billion in FY 2006.

Tourism is a year-round industry attracting skiers in the winter, vacationers in the summer, and sightseers viewing the aspen turning gold in the fall. Non-city residents provided an estimated 50% of the sales tax revenue. The City has 382 licensed businesses generating BBB tax revenues (an additional 2% sales tax).

Major private employers in the Flagstaff area are Nestle Purina, W. L. Gore & Associates, SCA Tissue, Sturmer and Klien, Walgreens Distribution, and Joy Cone. Major public employers in the Flagstaff area are Coconino County, Northern Arizona University, City of Flagstaff, Flagstaff Unified School District, and the U.S. Forest Service.

| <b>Labor Force Data</b> | <b>1990</b> | <b>2000</b> | <b>2005</b> |
|-------------------------|-------------|-------------|-------------|
| (Annual Average)        |             |             |             |
| Civilian Labor Force    | 26,111      | 34,589      | 33,929      |
| Unemployed              | 1,604       | 1,582       | 1,236       |
| Unemployment Rate       | 6.1%        | 4.6%        | 3.6%        |

Source: Arizona Department of Economic Security

| <b>Growth Indicators</b>   | <b>1990</b>  | <b>2000</b>   | <b>2005</b>   |
|----------------------------|--------------|---------------|---------------|
| Business Licenses          | 4,000 (est.) | 5,440         | 7,716         |
| Retail Sales               | 631,835,742  | 1,238,195,104 | 1,749,149,158 |
| Primary Net Assessed Value | 223,050,141  | 399,244,815   | 580,848,798   |

Sources: AZ Department of Revenue; City of Flagstaff

### **Education**

Flagstaff Unified School District #1 has 9 elementary schools, 3 middle schools, 2 alternative schools, 5 magnet schools, and 3 high schools. In addition to the public school system, there are 10 charter schools and 8 private schools. These schools provide educational

opportunities for children in kindergarten to high school. The schools specialize in everything from specific learning styles to programs focused on the Arts.

Coconino County Community College offers 31 associate degrees and 33 certificate programs, as well as continuing education courses and special programs for small businesses. In the fall of 2005, enrollment was 4,382 students (3,722 of which were enrolled at the two Flagstaff campus).

Flagstaff's commitment to education is enhanced by Northern Arizona University's contribution to the community. Established in 1899, NAU is one of Arizona's three state universities. In the fall of 2005, NAU offered 94 Bachelor, 47 Master, 8 Doctorate, and 1 Professional degrees along with 30 Undergraduate and 12 Graduate certificates. Top enrollment for its 18,779 students (12,634 of which were enrolled at the Flagstaff campus) are Elementary Education, Business Preparation, Hotel & Restaurant Management, Criminal Justice, and Counseling-Human Relations.

### **Cultural Opportunities and Scenic Attractions**

Flagstaff serves as the cultural hub of Northern Arizona. Because arts and cultural activities enhance the quality of life and have an economic impact, the City supports these endeavors. Funding support for these activities comes from the Bed, Board and Booze tax, and the General Fund. The Flagstaff Cultural Partners will disburse these funds. Throughout the year, there are art shows, festivals, live theater performances, and Native American arts and crafts exhibits to satisfy the most ardent enthusiast.

The Flagstaff Symphony Orchestra is a non-profit corporation dedicated to bringing world-class musical performances to their audiences, and to providing innovative programs in music education for youth across northern Arizona. The FSO conducts six concerts from September through April form the core of the Symphony's season, with additional Young People's Concerts for children in the Flagstaff Unified School District, and a Lollipop concert in December for families with young children. Regular concerts are held in 1500-seat Ardrey Auditorium on the campus of Northern Arizona University.

Lowell Observatory was founded in 1894 by Boston mathematician Percival Lowell. Best known for the discovery of Pluto, Lowell Observatory is also where astronomer V.M. Slipher gathered the first evidence that the universe is expanding. The Observatory also maintains a vigorous education and outreach program, headquartered in the Steele Visitor Center on Mars Hill. Each year, about 70,000 people visit the Observatory to learn about astronomy by participating in multimedia programs, private and school programs, special events, and other educational activities. The Observatory offers daily-guided tours and evening programs.

The Museum of Northern Arizona offers internationally recognition exhibits in archeology, ethnology, geology, biology, and fine art of the Colorado Plateau. Four especially notable exhibitions, which attract national and international visitors, include the annual Zuni, Hopi, Navajo, and Hispanic Exhibitions with contemporary and traditional pottery, weaving, jewelry, and sand paintings, as well as native artist demonstrations and traditional dance.

The Coconino Center for the Arts, operated by the Flagstaff Cultural Partners, serves as the cultural center of the Flagstaff community. The 4000 square foot gallery features diverse rotating exhibitions showcasing local and regional artists, craftspeople, and Flagstaff students. Contemporary fine crafts, western art, and special science programs are also held throughout the year. The intimate 200-seat theater offers musical concerts, readings, theater performances, and other presentations.

The Pine Mountain Amphitheater at Fort Tuthill County Park features outdoor concerts and dance performances from May through September. The events feature local and regional artists, as well as nationally and internationally acclaimed artists.

Known as the “City of Seven Wonders,” Flagstaff attracts millions of tourists each year due to its easy access to such scenic destinations as the Grand Canyon, Sunset Crater, Oak Creek Canyon, Meteor Crater, Walnut Canyon, Wupatki National Monument, and the San Francisco Peaks.

**Community Facilities**

Flagstaff offers a wide range of community and cultural facilities, including:

|                                      |    |                          |    |
|--------------------------------------|----|--------------------------|----|
| <b>City Recreational Facilities:</b> |    | <b>Other Facilities:</b> |    |
| Recreation Centers                   | 3  | Museums                  | 5  |
| Parks-Developed                      | 27 | Art Galleries            | 12 |
| Parks-Undeveloped                    | 4  | Libraries                | 3  |
| Tennis Courts                        | 17 | Swimming Pools           | 2  |
| Racquetball Courts                   | 4  | Bowling Alleys           | 1  |
| Ramadas                              | 11 | Symphony Orchestra       | 1  |
| Softball/Baseball Fields             | 17 | Ski Resort               | 1  |
| Ice Rink/Activity Center             | 1  | Movie Screens            | 12 |
| Playgrounds                          | 20 | Fairgrounds/Race Track   | 1  |
| Skate Tracks                         | 2  | Outdoor Amphitheater     | 1  |
| Soccer Fields                        | 4  |                          |    |
| Disc Golf Course                     | 2  |                          |    |
| Basketball Courts                    | 19 |                          |    |
| Volleyball Courts                    | 6  |                          |    |
| Horseshoe Courts                     | 12 |                          |    |
| Off Leash Areas-Bark Parks           | 2  |                          |    |
| BMX Facility                         | 1  |                          |    |

**Transportation**

Flagstaff is a major crossroads for the west. Interstates 17 and 40 provide road access to major west coast markets, including San Francisco, Las Vegas, Albuquerque, El Paso, Los Angeles, San Diego, parts of Mexico, and of course, Phoenix and Tucson. US Highway 89 provides access to the states north of

Arizona and Highway 180 provides access to the Grand Canyon.

| <b>Approximate Drive Times from Flagstaff:</b> |             |
|--|-------------|
| Grand Canyon, AZ                               | 2 Hours     |
| Lake Powell, AZ                                | 3 Hours     |
| Nogales, AZ                                    | 4 1/2 Hours |
| Phoenix, AZ                                    | 2 1/4 Hours |
| Sedona, AZ                                     | 1 Hour      |
| Tucson, AZ                                     | 3 3/4 Hours |
| Albuquerque, NM                                | 4 1/2 Hours |
| El Paso, TX                                    | 8 Hours     |
| Las Vegas, NV                                  | 4 1/4 Hours |
| Los Angeles, CA                                | 6 1/2 Hours |

Burlington Northern Santa Fe Railway serves the city of Flagstaff with more than 100 trains passing through town daily. Amtrak also services Flagstaff twice daily connecting with Los Angeles and Chicago. Bus services are available for within the city (Mountain Line), intra and interstate (Greyhound), and several tour guide companies provided service around Northern Arizona. In addition, there are several taxicab companies.

Flagstaff Pulliam Airport, located four miles south of downtown Flagstaff on I-17, provides frequent daily flights to and from Phoenix Sky Harbor International Airport, where national and international connections can be made.

Additionally, the City is committed to the development of a non-motorized urban trail network (FUTS), which will interconnect virtually all areas of the City when completed and will serve as an important transportation element as well as a recreation amenity. The current draft of the proposed City/County regional plan shows an estimated 55 miles of FUTS. The City has completed approximately 33.8 miles to date.

**Medical**

Flagstaff has an extensive array of medical facilities and resources in the areas of traditional, integrative and alternative healthcare. Flagstaff Medical Center is the Northern Arizona Regional referral center for trauma, cancer, rehabilitation, cardiac care, high-risk maternal/fetal, MRI/CT scans, and more. More than 190 physicians are on active staff at the hospital, representing 31 medical specialties.

**Recreation**

The City is surrounded within and without by coniferous forests, which allow for an array of outdoor sports and camping and backpacking opportunities. Downhill skiers enjoy 32 runs down the San Francisco Peaks, just 14 miles from downtown Flagstaff. Groomed trails at the Flagstaff Nordic Center provide over 40 kilometers of cross-country skiing. Endless miles can be skied on the hundreds of miles of forest service roads. Flagstaff even sponsors the annual Winter Festival that includes dog sled races.

Hikers, joggers, and mountain bikers will find miles of trails, which range from gentle grades to extremely difficult terrain. The outdoor sportsman will find opportunities for hunting and fishing. The individual committed to an exercise routine, which includes running, or walking will find a 2-mile track complete with a 20-station Vita Course at Buffalo Park, a woodland area atop a mesa with spectacular views of the San Francisco Peaks.

For those who enjoy organized team sports, the City has adult and youth leagues for softball, baseball, basketball, soccer, ice hockey, and volleyball throughout the year. Additional recreation amenities include the skateboard park and disc golf course, which provide year-round recreational opportunities.

**Environmental Focus**

Flagstaff citizens realize that the quality of life enjoyed in this mountain community is intricately related to the preservation of our environment. The City has dedicated considerable resources to a variety of environmental issues and local conservation efforts. The Environmental Services Division works to ensure that all residents of Flagstaff are provided with a clean, safe, and ecologically sound environment. More specifically, the programs are focused on waste management strategies that emphasize waste reduction and recycling,

composting, and environmentally sound landfill management to meet the City's long-term disposal needs. In addition, several new programs are embracing the concepts of sustainability, restoration, and conservation, such as renewable energy and fuels, Brownfield Land Recycling, and sustainable building. Water conservation programs include a reclaimed water treatment plant and related distribution lines to transport water to large irrigation water users, as well as a low-flow toilet rebate program. The city initiated a year round water use policy that restricts the times and day outside irrigation is allowed. The toilet rebate program has been extended to commercial and industrial users as well as residential customers. In addition, the city is considering incentives for installation of waterless urinals, hot water re-circulators, turf reduction, washing machines, and pre-rinse spray valves. The City has also initiated a program for the use of rain barrels. Additionally, the City provides funding support to not-for-profit organizations such as the Resource Center for Environmental Education and the Museum of Northern Arizona.

**Table IX**

| City of Flagstaff, Arizona<br>Principal Taxpayers<br>Tax Year 2005 |                     |                        |  |
|--|---------------------|------------------------|--|
| Taxpayer   | Type of Business    | Net Assessed Valuation | As a Percentage of the City Total Secondary Assessed Valuation |
| Arizona Public Service Company                                     | Utility             | \$ 11,202,424          | 2.01%  |
| W L Gore & Associates Inc.   | Manufacturer        | 10,109,600             | 1.82%  |
| Qwest Corporation  | Utility             | 9,580,227              | 1.72%  |
| Nestle Purina Petcare Company                                      | Manufacturer        | 4,171,498              | 0.75%  |
| Walgreen Arizona Drug Co.  | Distribution/Retail | 3,867,713              | 0.69%  |
| Little America Refining Co.  | Hotel/Tourism       | 3,830,418              | 0.69%  |
| Cone Company George & Thomas DBA                                   | Manufacturing       | 3,317,484              | 0.60%  |
| Flagstaff Mall Associated Ltd. Partnership                         | Shopping Center     | 3,250,000              | 0.58%  |
| UniSource Energy Corporation                                       | Utility             | 2,538,753              | 0.46%  |
| Woodlands Plaza Hotel LTD Partnership                              | Hotel/Tourism       | 2,403,225              | 0.43%  |
| Total Principal Taxpayers  |                     | 54,271,342             | 9.75%  |
| Other Taxpayers  |                     | 502,409,245            | 90.25%   |
| Total Secondary Assessed Valuation                                 |                     | <u>\$ 556,680,587</u>  | <u>100.00%</u>   |

Source: Arizona Department of Revenue, Central Information Services

**City of Flagstaff, Arizona  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years**

| Fiscal Year | City   | School District | Community College | County | State  | Total   |
|-------------|--------|-----------------|-------------------|--------|--------|---------|
| 1996        | 1.7983 | 6.7903          | 0.3728            | 1.1472 | 0.4700 | 10.5786 |
| 1997        | 1.8283 | 6.5237          | 0.3784            | 1.1386 | -      | 9.8690  |
| 1998        | 1.7127 | 6.6634          | 0.3869            | 1.1168 | -      | 9.8798  |
| 1999        | 1.7127 | 6.5477          | 0.3952            | 1.1094 | -      | 9.7650  |
| 2000        | 1.7127 | 6.5585          | 0.5947            | 1.1444 | -      | 10.0103 |
| 2001        | 1.7127 | 6.6885          | 0.5724            | 1.1336 | -      | 10.1072 |
| 2002        | 1.7127 | 6.6741          | 0.5717            | 1.0951 | -      | 10.0536 |
| 2003        | 1.7127 | 6.7590          | 0.5809            | 1.1941 | -      | 10.2467 |
| 2004        | 1.7127 | 6.3679          | 0.5775            | 1.2369 | -      | 9.8950  |
| 2005        | 1.7127 | 5.7236          | 0.5660            | 1.2212 | -      | 9.2235  |

Note: Tax rates are per \$100 assessed valuation.

**City of Flagstaff, Arizona  
Sales Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years**

| June 30 | City Sales Tax | City Transportation Tax | City BBB Tax | County Sales Tax | State Sales Tax | Total   |
|---------|----------------|-------------------------|--------------|------------------|-----------------|---------|
| 1997    | 1.0000         | -                       | 2.0000       | 0.5000           | 5.0000          | 8.5000  |
| 1998    | 1.0000         | -                       | 2.0000       | 0.8000           | 5.0000          | 8.8000  |
| 1999    | 1.0000         | -                       | 2.0000       | 0.8000           | 5.0000          | 8.8000  |
| 2000    | 1.0000         | -                       | 2.0000       | 0.8000           | 5.0000          | 8.8000  |
| 2001    | 1.0000         | 0.5100                  | 2.0000       | 0.8000           | 5.6000          | 9.9100  |
| 2002    | 1.0000         | 0.5745                  | 2.0000       | 0.8000           | 5.6000          | 9.9745  |
| 2003    | 1.0000         | 0.5745                  | 2.0000       | 0.9250           | 5.6000          | 10.0995 |
| 2004    | 1.0000         | 0.6010                  | 2.0000       | 0.9250           | 5.6000          | 10.1260 |
| 2005    | 1.0000         | 0.6010                  | 2.0000       | 0.9250           | 5.6000          | 10.1260 |
| 2006    | 1.0000         | 0.6010                  | 2.0000       | 0.9250           | 5.6000          | 10.1260 |

**City of Flagstaff, Arizona  
Miscellaneous Statistics**

|                              |
|------------------------------|
| <b>Date of Incorporation</b> |
| May 26, 1894                 |

|                             |
|-----------------------------|
| <b>Date Charter Adopted</b> |
| October 3, 1958             |

|   |
|---|
| <b>Date of Latest Charter Amendment</b> |
| June 29, 1998                           |

|                           |
|---------------------------|
| <b>Form of Government</b> |
| Council, City Manager     |

|                            |
|----------------------------|
| <b>Area - Square Miles</b> |
| June 2006 - 64.66          |

|                       |
|-----------------------|
| <b>Infrastructure</b> |
|-----------------------|

|                             |        |
|-----------------------------|--------|
| Miles of Streets            | 219.08 |
| Miles of Alleys             | 10.15  |
| Miles of Sidewalks          | 157.22 |
| Miles of Waterlines         | 370.03 |
| Miles of Reclaim Waterlines | 15.21  |
| Miles of Sewer              |        |
| Storm                       | 42.81  |
| Sanitary                    | 250.55 |
| Number of Street Lights     | 3,037  |
| Number of Fire Hydrants     | 2,598  |
| Number of Manholes          | 6,496  |

|                                      |
|--------------------------------------|
| <b>Employees as of June 30, 2006</b> |
|--------------------------------------|

|   |               |
|---|---------------|
| Merit System                            | 546           |
| Exempt                                  | 143           |
| Temporary                               | 210           |
| Elected Officials                       | 7             |
| <br>                                    |               |
| Total Payroll for the Year Ending 2006: | \$ 36,415,519 |

|                        |
|------------------------|
| <b>Fire Protection</b> |
|------------------------|

|                           |        |
|---------------------------|--------|
| Number of Stations        | 6      |
| Number of Employees (FTE) | 100.75 |

|                          |
|--------------------------|
| <b>Police Protection</b> |
|--------------------------|

|   |        |
|---|--------|
| Number of Employees (FTE)               | 164    |
| Number of Calls for Service per         |        |
| Annual Report-12/31/05                  | 58,328 |
| Ave. Patrol Officers for 24 hour period | 20.2   |
| Vehicular Patrol Units                  | 24     |
| Coconino County Jail Prisoner Capacity  | 560    |

|                        |
|------------------------|
| <b>Pulliam Airport</b> |
|------------------------|

|                        |     |
|------------------------|-----|
| Fixed Base Operators   | 1   |
| Locally Based Aircraft | 125 |
| Tiedowns               | 29  |
| Enclosed Hangars       | 64  |
| Open Hangars           | 48  |

|                  |
|------------------|
| <b>Elections</b> |
|------------------|

|                                   |        |
|-----------------------------------|--------|
| Last Municipal Election May 2006  |        |
| Number of Registered Voters       | 25,473 |
| Number of Votes Cast              | 9,445  |
| % of Registered Voters that Voted | 37.08% |
| Last Special Election May 2005    |        |
| Number of Registered Voters       | 28,704 |
| Number of Votes Cast              | 17,182 |
| % of Registered Voters that Voted | 59.86% |

|                             |
|-----------------------------|
| <b>Parks and Recreation</b> |
|-----------------------------|

|                                    |        |
|------------------------------------|--------|
| Number of Developed Parks          | 27     |
| Number of Un-developed Parks       | 4      |
| Park Acreage                       | 704.54 |
| Flagstaff Urban Trail System-Miles | 33.82  |

Number of Other Facilities:

|                               |    |
|-------------------------------|----|
| Recreation Centers            | 3  |
| Tennis Courts                 | 17 |
| Racquetball Courts            | 4  |
| Ramadas                       | 11 |
| Softball/Baseball Fields      | 17 |
| Ice Rink/Activity Center      | 1  |
| Playgrounds                   | 20 |
| Skate Tracks                  | 2  |
| Soccer Fields                 | 4  |
| Disc Golf Course              | 2  |
| Basketball Courts             | 19 |
| Volleyball Courts             | 6  |
| Horseshoe Courts              | 12 |
| Off Leash Areas-Bark Parks    | 2  |
| Swimming Pools (School Owned) | 2  |
| BMX Facility                  | 1  |

|                  |
|------------------|
| <b>Education</b> |
|------------------|

|                               |    |
|-------------------------------|----|
| Number of Schools:            |    |
| Public Elementary             | 9  |
| Public Middle School          | 3  |
| Public High School            | 3  |
| Alternative Schools           | 2  |
| Magnet Schools                | 5  |
| Charter Schools               | 10 |
| Private Schools               | 8  |
| Community College (Coconino)  | 1  |
| University (Northern Arizona) | 1  |

Number of Students (Fall 2005):

|                                   |        |
|-----------------------------------|--------|
| Flagstaff Unified School District | 11,222 |
| Charter                           | 1,606  |
| Private (Fall 2003)               | 343    |
| Northern Arizona University       |        |
| Flagstaff Campus                  | 12,634 |
| All Locations                     | 18,779 |
| Coconino Community College        |        |
| Flagstaff Campuses (2)            | 3,722  |
| All Locations                     | 4,382  |

**City of Flagstaff, Arizona  
Miscellaneous Statistics**

**Sales Tax**

|  |    |               |
|--|----|---------------|
| Retail Sales Last 10 Fiscal Years:           |    |               |
| 2005   | \$ | 1,749,149,158 |
| 2004   |    | 1,593,931,781 |
| 2003   |    | 1,458,775,346 |
| 2002   |    | 1,404,232,492 |
| 2001   |    | 1,324,735,136 |
| 2000   |    | 1,238,195,104 |
| 1999   |    | 1,117,197,604 |
| 1998   |    | 1,065,133,746 |
| 1997   |    | 1,016,570,260 |
| 1996   |    | 965,100,588   |
| Total Sales Tax Revenue for Fiscal Year 2005 |    |               |
|  | \$ | 12,671,202    |

**Utility Enterprise**

|  |        |
|--|--------|
| Total Active Accounts on June 30, 2006     |        |
| Water                                      | 18,122 |
| Average Gallons/Household/Month            | 5,872  |
| Plants Capacity (Million Gallons per Day): |        |
| Water Treatment Plant                      | 8      |
| Reservoir Filtration Plant                 | 2      |
| Wildcat Hill Plant                         | 6      |
| Rio de Flag Reclaim Plant                  | 4      |
| Number of Facilities:                      |        |
| Wells                                      | 25     |
| Reservoirs                                 | 9      |
| Reclaimed Reservoirs                       | 2      |

**Population**

|   |        |
|---|--------|
| Census Population Count-Last Five Censuses: |        |
| 2005**                                      | 61,185 |
| 2004**                                      | 61,270 |
| 2003**                                      | 61,030 |
| 2002**                                      | 59,160 |
| 2001**                                      | 57,700 |
| 2000  | 52,894 |
| 1995*                                       | 52,701 |
| 1990  | 45,854 |
| 1985*                                       | 38,247 |
| 1980  | 34,743 |
| *Special Census                             |        |
| **Estimate                                  |        |

**2000 Census Information:**

|  |               |
|--|---------------|
| Age Distribution of Population<br>for Urbanized Areas Only |               |
| 1-4 Years  | 3,546         |
| 5-17 Years   | 9,288         |
| 18-24 Years  | 11,487        |
| 25-44 Years  | 16,111        |
| 45-64 Years  | 8,309         |
| 65+ Years  | 4,153         |
|  | <u>52,894</u> |
| Number of Housing Units                                    |               |
|  | 21,396        |
| Average Persons per Housing Unit                           |               |
|  | 2.59          |
| Average Family Size  |               |
|  | 3.13          |
| Median Household Income                                    | \$ 37,146     |
| Per Capita Income (2000)                                   | \$ 18,637     |

2000 Census information available at the following websites:  
<http://www.census.gov/census2000/states/az.html>  
<http://www.de.state.az.us/links/economic/webpage/index.html>

**City of Flagstaff, Arizona  
Bonded Debt  
Interest/Coupon Rate by Issue and Year**

| Fiscal Year | 1991<br>CAB's<br>Sewer | 1992<br>Revenue<br>Street and<br>Highway | 1997<br>G.O.<br>Public Safety,<br>Parks, Water | 1999<br>Special<br>Assessment<br>Bow & Arrow | 2001<br>G.O.<br>Parks & Rec | 2001<br>G.O.<br>Water, Sewer<br>Airport |
|-------------|------------------------|--|--|--|-----------------------------|---|
| 2007        | 6.750                  | -  | -  | 4.900  | -                           | 5.000                                   |
| 2008        | -                      | 9.500                                    | -  | 4.900  | 4.375                       | 5.000                                   |
| 2009        | -                      | 7.750                                    | -  | 4.900  | 4.500                       | 5.000                                   |
| 2010        | -                      | 5.900                                    | -  | 4.900  | 4.500                       | -                                       |
| 2011        | -                      | 5.900                                    | -  | -  | 4.500                       | -                                       |
| 2012        | -                      | 5.500                                    | -  | -  | 4.500                       | -                                       |
| 2013        | -                      | -  | 4.500  | -  | 4.650                       | -                                       |
| 2014        | -                      | -  | -  | -  | 4.750                       | -                                       |
| 2015        | -                      | -  | -  | -  | -                           | -                                       |
| 2016        | -                      | -  | -  | -  | -                           | -                                       |
| 2017        | -                      | -  | -  | -  | -                           | -                                       |
| 2018        | -                      | -  | -  | -  | -                           | -                                       |
| 2018        | -                      | -  | -  | -  | -                           | -                                       |
| 2020        | -                      | -  | -  | -  | -                           | -                                       |
| 2021        | -                      | -  | -  | -  | -                           | -                                       |

| Fiscal Year | 2001<br>Certificates of<br>Participation<br>USGS | 2003<br>G.O.<br>Parks, Water | 2003<br>Revenue<br>Street and<br>Highway | 2003<br>Revenue<br>4th Street | 2006<br>G.O.<br>Fire, FUTS,<br>Acquatic/Multi |
|-------------|--|------------------------------|--|-------------------------------|---|
| 2007        | 4.000  | 3.000                        | 3.000                                    | 2.250                         | 5.000   |
| 2008        | 4.150  | 3.250                        | 3.250                                    | 5.000                         | 5.000   |
| 2009        | 4.350  | 3.250                        | 3.250                                    | 3.000                         | 4.500   |
| 2010        | 4.550  | 3.250                        | -  | 3.250                         | 4.250   |
| 2011        | 4.550  | 3.250                        | -  | 3.750                         | 4.125   |
| 2012        | 4.600  | 3.250                        | -  | 4.000                         | 4.125   |
| 2013        | 4.625  | 3.250                        | -  | 4.000                         | 5.000   |
| 2014        | 4.750  | -                            | -  | 4.000                         | 5.000   |
| 2015        | 4.750  | -                            | -  | 4.000                         | 5.250   |
| 2016        | 4.750  | -                            | -  | 5.000                         | 5.250   |
| 2017        | -  | -                            | -  | 5.250                         | 5.250   |
| 2018        | -  | -                            | -  | 5.250                         | 4.375   |
| 2018        | -  | -                            | -  | 5.250                         | 4.500   |
| 2020        | -  | -                            | -  | 5.250                         | 4.500   |
| 2021        | -  | -                            | -  | -                             | 4.125   |

Table XII

**City of Flagstaff, Arizona  
Percent of Net General Bonded Debt to Secondary Assessed Value  
and Net General Bonded Debt Per Capita  
Last Ten Fiscal Years**

| Fiscal Year | Population (1) | Secondary Assessed Value (2) | Gross Bonded Debt | Less Current Portion | Net Bonded Debt | Percent of Net Bonded Debt to Assessed Value | Net Bonded Debt Per Capita |
|-------------|----------------|------------------------------|-------------------|----------------------|-----------------|--|----------------------------|
| 1996        | 53,966         | 294,100,721                  | 39,830,151        | 3,595,000            | 36,235,151      | 12%  | 671.44                     |
| 1997        | 55,885         | 310,066,911                  | 53,809,898        | 4,371,000            | 49,438,898      | 16%  | 884.65                     |
| 1998        | 58,145         | 340,743,258                  | 49,470,273        | 4,170,000            | 45,300,273      | 13%  | 779.09                     |
| 1999        | 59,945         | 362,625,557                  | 45,333,746        | 4,465,000            | 40,868,746      | 11%  | 681.77                     |
| 2000        | 52,894 **      | 385,566,202                  | 40,904,461        | 4,405,000            | 36,499,461      | 9%   | 690.05                     |
| 2001        | 57,700         | 408,592,733                  | 36,537,570        | 2,805,000            | 33,732,570      | 8%   | 584.62                     |
| 2002        | 59,160         | 429,030,400                  | 36,873,231        | 2,888,505            | 33,984,726      | 8%   | 574.45                     |
| 2003        | 61,030         | 464,257,886                  | 34,012,849        | 3,570,000            | 30,442,849      | 7%   | 498.82                     |
| 2004        | 61,270         | 501,655,440                  | 30,967,902        | 3,920,000            | 27,047,902      | 5%   | 441.45                     |
| 2005        | 61,145         | 556,680,587                  | 26,784,064        | 3,915,000            | 22,869,064      | 4%   | 374.01                     |

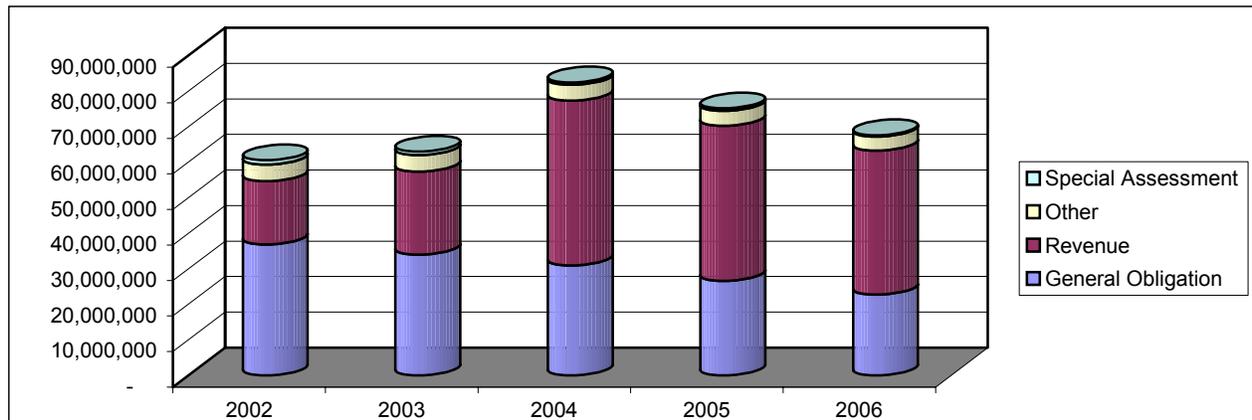
(1) Arizona Department of Economic Security projected population increases except 2000, which are official census figures.

(2) From County Assessors Office.

\*\* Census estimates exceeded actual 2000 census results.  
FY2000 adjusted to reflect population per U.S. Census official results

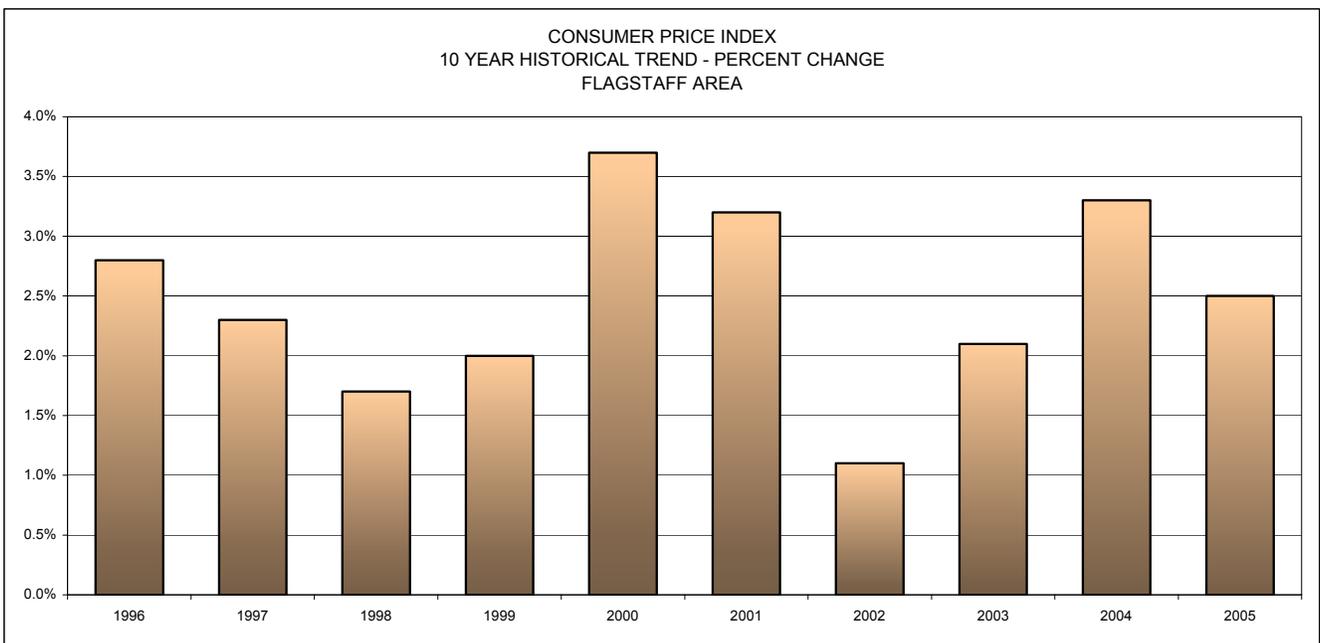
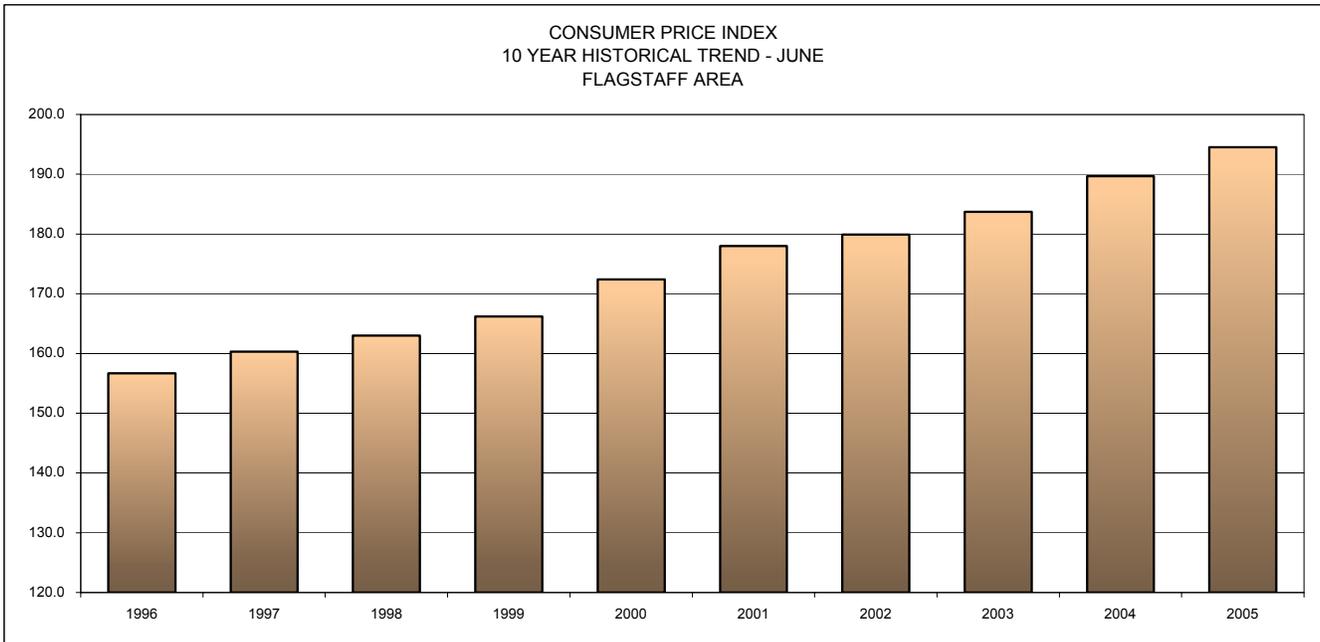
**City of Flagstaff, Arizona  
Total Bonds Payable  
Last Five Fiscal Years**

|                            | 2002              | 2003              | 2004              | 2005              | 2006              |
|----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| General Obligation         | 36,873,231        | 34,012,849        | 30,937,849        | 26,580,000        | 22,665,000        |
| Revenue                    | 17,760,000        | 23,295,760        | 46,327,329        | 43,660,440        | 40,579,792        |
| Other                      | 4,700,000         | 4,700,000         | 4,445,000         | 4,180,000         | 3,905,000         |
| Special Assessment         | 1,188,000         | 944,000           | 685,000           | 685,000           | 415,000           |
| <b>Total Bonds Payable</b> | <b>60,521,231</b> | <b>62,952,609</b> | <b>82,395,178</b> | <b>75,105,440</b> | <b>67,564,792</b> |

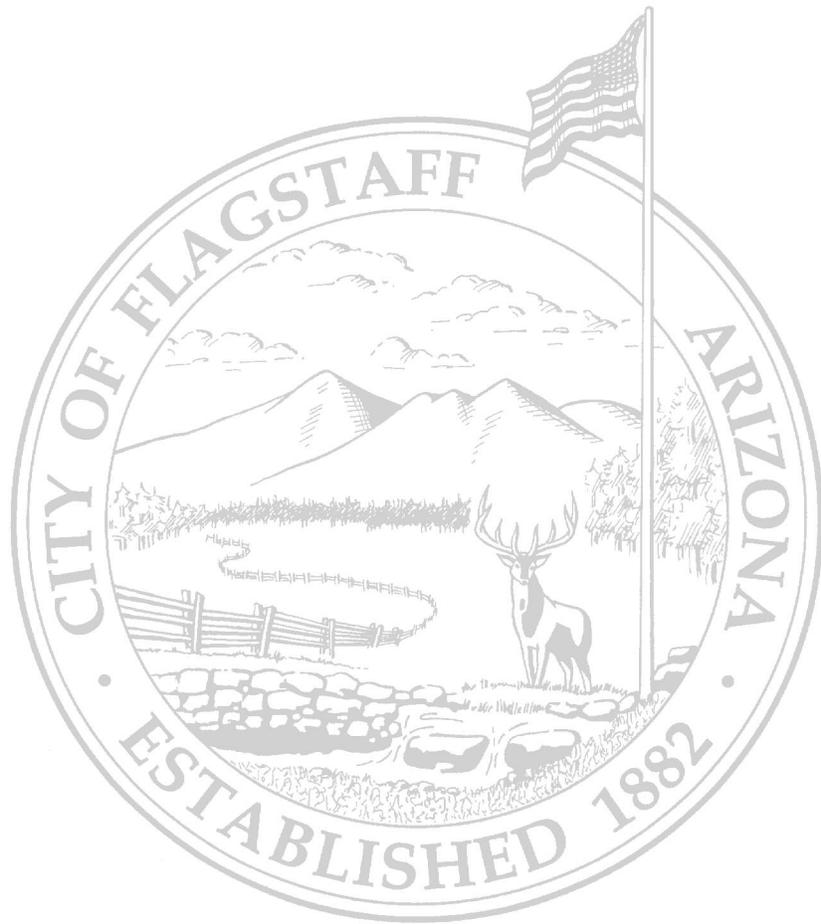


**City of Flagstaff, Arizona**  
**United States Consumer Price Index**  
**10-Year Historical Trend - June Versus June**  
**Flagstaff Area, Non-Seasonally Adjusted**

|                | 1996  | 1997  | 1998  | 1999  | 2000  | 2001  | 2002  | 2003  | 2004  | 2005  |
|----------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| June           | 156.7 | 160.3 | 163.0 | 166.2 | 172.4 | 178.0 | 179.9 | 183.7 | 189.7 | 194.5 |
| Percent Change | 2.8%  | 2.3%  | 1.7%  | 2.0%  | 3.7%  | 3.2%  | 1.1%  | 2.1%  | 3.3%  | 2.5%  |



Source: Tax, Licensing, and Revenue Division



Appendix A – Authorized Personnel/Position Summary

**City of Flagstaff**  
**Authorized Personnel/Position Summary**

| DIVISION                          | 2002-2003 | 2003-2004 | 2004-2005 | Current<br>2005-2006 | New Request<br>2006-2007 | Adopted<br>2006-2007 |
|-----------------------------------|-----------|-----------|-----------|----------------------|--------------------------|----------------------|
| <b>CITY MANAGER</b>               |           |           |           |                      |                          |                      |
| City Manager                      | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Deputy City Manager               | 2         | 2         | 2         | 2                    | 0                        | 2                    |
| Executive Admin Assistant         | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Executive Assistant               | 1.25      | 1         | 1         | 1                    | 0                        | 1                    |
| PIO - Management Assistant        | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Total                             | 6.25      | 6         | 6         | 6                    | 0                        | 6                    |
| <b>CITY CLERK</b>                 |           |           |           |                      |                          |                      |
| City Clerk                        | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Deputy City Clerk                 | 1         | 1         | 1         | 1                    | 1                        | 2                    |
| Executive Admin Assistant         | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Total                             | 3         | 3         | 3         | 3                    | 1                        | 4                    |
| <b>CAPITAL IMPROVEMENTS</b>       |           |           |           |                      |                          |                      |
| Admin Spclst                      | 1         | 1         | 1         | 0                    | 0                        | 0                    |
| CIP Director                      | 1         | 1         | 0         | 0                    | 0                        | 0                    |
| Capital Improvements Engineer     | 2         | 2         | 2         | 2                    | 0                        | 2                    |
| Eng Project Manager I             | 3         | 3         | 2         | 2                    | 0                        | 2                    |
| Eng Project Manager II            | 2         | 2         | 3         | 3                    | 0                        | 3                    |
| Engineering Technician IV         | 2         | 1         | 1         | 1                    | 0                        | 1                    |
| Intern                            | 0.5       | 0.5       | 0.5       | 0.5                  | 0                        | 0.5                  |
| Management Assistant -PIO         | 1         | 0         | 0         | 0                    | 0                        | 0                    |
| Senior Project Manager            | 6         | 5         | 5         | 5                    | 0                        | 5                    |
| Total                             | 18.5      | 15.5      | 14.5      | 13.5                 | 0                        | 13.5                 |
| <b>HUMAN RESOURCES</b>            |           |           |           |                      |                          |                      |
| Admin Assistant                   | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Admin Specialist                  | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Human Resources Analyst           | 0.75      | 0.75      | 1         | 0.5                  | 0.5                      | 0.5                  |
| Human Resources Benefit Spec.     | 0         | 0         | 0         | 0                    | 1                        | 1                    |
| Human Resources Director          | 0         | 0         | 0         | 1                    | 0                        | 1                    |
| Human Resources Intern            | 0         | 0         | 0         | 0                    | 0.15                     | 0                    |
| Human Resources Manager           | 1         | 1         | 1         | 0                    | 0                        | 0                    |
| Human Resources Specialist        | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Human Resources Supervisor        | 0         | 0         | 1         | 1                    | 0                        | 1                    |
| Total                             | 4.75      | 4.75      | 6         | 5.5                  | 1.65                     | 6.5                  |
| <b>RISK MANAGEMENT</b>            |           |           |           |                      |                          |                      |
| Risk Management Assistant         | 1         | 1         | 0         | 0                    | 0                        | 0                    |
| Risk Manager                      | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Risk Management Admin. Asst       | 0         | 0         | 0         | 0                    | 1                        | 0                    |
| Insurance Claim Specialist        | 0         | 0         | 0         | 0                    | 1                        | 1                    |
| Safety/Risk Management Specialist | 0         | 0         | 1         | 1                    | 0                        | 1                    |
| Total                             | 2         | 2         | 2         | 2                    | 2                        | 3                    |
| <b>LAW</b>                        |           |           |           |                      |                          |                      |
| Admin Asst                        | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Admin Spclst                      | 2         | 2         | 2         | 2                    | 0                        | 2                    |
| Asst City Attny-Chief Prosecutor  | 1         | 1         | 1         | 0                    | 0                        | 0                    |
| Asst City Attorney-Civil I        | 2         | 2         | 2         | 0                    | 0                        | 0                    |
| Asst City Attorney-Civil II       | 1         | 1         | 1         | 0                    | 0                        | 0                    |
| Asst City Attny-Prosecution       | 4         | 4         | 4         | 4                    | -1                       | 3                    |
| City Attorney                     | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Deputy City Attorney              | 0         | 0         | 0         | 1                    | 1                        | 1                    |
| Executive Assistant/Paralegal     | 0         | 0         | 0         | 1                    | 0                        | 1                    |
| Intern                            | 0.25      | 0.25      | 0.25      | 0.25                 | 0                        | 0.25                 |
| Prosecuter II                     | 0         | 0         | 0         | 0                    | 1                        | 1                    |
| Senior Ass't City Attorney        | 0         | 0         | 0         | 3                    | 0                        | 3                    |
| Total                             | 12.25     | 12.25     | 12.25     | 13.25                | 1                        | 13.25                |

Appendix A – Authorized Personnel/Position Summary

| DIVISION                          | 2002-2003    | 2003-2004   | 2004-2005   | Current<br>2005-2006 | New Request<br>2006-2007 | Adopted<br>2006-2007 |
|-----------------------------------|--------------|-------------|-------------|----------------------|--------------------------|----------------------|
| <b>INFORMATION TECHNOLOGY</b>     |              |             |             |                      |                          |                      |
| Client Service Administrator      | 1            | 1           | 1           | 0                    | 0                        | 0                    |
| Computer Tech I                   | 1            | 1           | 2           | 0                    | 0                        | 0                    |
| Computer Tech II                  | 1            | 1           | 1           | 1                    | 0                        | 1                    |
| Data Base Analyst                 | 1            | 1           | 1           | 1                    | 0                        | 1                    |
| GIS Manager                       | 1            | 1           | 1           | 1                    | 0                        | 1                    |
| GIS System Analyst                | 1            | 1           | 1           | 1                    | 0                        | 1                    |
| GIS Technician                    | 1            | 1           | 1           | 1                    | 1                        | 2                    |
| Software Specialist               | 0            | 0           | 0           | 0                    | 1                        | 1                    |
| Series Administrator              | 0            | 0           | 0           | 1                    | 0                        | 1                    |
| Info. Sys. Customer Svc. Rep.     | 1            | 1           | 1           | 0                    | 0                        | 0                    |
| Information Systems Mgr.          | 1            | 1           | 1           | 0                    | 0                        | 0                    |
| Intern                            | 0.75         | 0           | 0           | 0                    | 0                        | 0                    |
| IT Director                       | 0            | 0           | 0           | 1                    | 0                        | 1                    |
| IT Services Specialist            | 0            | 0           | 0           | 2                    | 1                        | 2                    |
| IT Services Supervisor            | 0            | 0           | 0           | 1                    | 0                        | 1                    |
| IT Systems Manager                | 0            | 0           | 0           | 0                    | 1                        | 0                    |
| Network Administrator             | 0            | 0           | 0           | 1                    | 0                        | 1                    |
| Network Analyst                   | 1            | 1           | 1           | 0                    | 0                        | 0                    |
| Programmer/Analyst I              | 1            | 1           | 1           | 0                    | 0                        | 0                    |
| Senior GIS Technician             | 1            | 1           | 1           | 1                    | 0                        | 1                    |
| Senior Network Administrator      | 0            | 0           | 0           | 1                    | 0                        | 1                    |
| Window System Administrator       | 0            | 0           | 0           | 1                    | 0                        | 1                    |
| <b>Total</b>                      | <b>12.75</b> | <b>12</b>   | <b>13</b>   | <b>14</b>            | <b>4</b>                 | <b>16</b>            |
| <b>MANAGEMENT SERVICES</b>        |              |             |             |                      |                          |                      |
| Admin Asst                        | 1.5          | 1.5         | 1.5         | 2.5                  | 0                        | 2.5                  |
| Admin Spclst                      | 2            | 2           | 1           | 1                    | 0                        | 1                    |
| Buyer                             | 1            | 1           | 1           | 1                    | 0                        | 1                    |
| Contracts Assistant               | 1            | 0           | 0           | 0                    | 0                        | 0                    |
| Contract Specialist               | 0            | 1           | 1           | 1                    | 0                        | 1                    |
| Mail/Duplication Aide             | 1            | 1           | 1           | 0                    | 0                        | 0                    |
| Management Services Director      | 1            | 1           | 1           | 1                    | 0                        | 1                    |
| Purchasing Director               | 1            | 1           | 1           | 1                    | 0                        | 1                    |
| Real Estate Manager               | 1            | 1           | 1           | 1                    | 0                        | 1                    |
| Senior Buyer                      | 2            | 2           | 2           | 2                    | 0                        | 2                    |
| Storekeeper                       | 1            | 1           | 1           | 0                    | 0                        | 0                    |
| Warehouse Clerk                   | 0            | 0           | 0           | 0                    | 0.5                      | 0                    |
| Warehouse Technician              | 0            | 0           | 0           | 1                    | 0                        | 1                    |
| <b>Total</b>                      | <b>12.5</b>  | <b>12.5</b> | <b>11.5</b> | <b>11.5</b>          | <b>0.5</b>               | <b>11.5</b>          |
| <b>SALES TAX</b>                  |              |             |             |                      |                          |                      |
| Account Clerk II                  | 1            | 1           | 1           | 0                    | 0                        | 0                    |
| Accounts Receivable Specialist    | 0            | 0           | 0           | 1                    | 0                        | 1                    |
| Admin Assistant                   | 2.5          | 2.5         | 2.5         | 2.5                  | 0                        | 2.5                  |
| Auditor II                        | 2            | 2           | 2           | 2                    | 0                        | 2                    |
| Revenue Collector                 | 2            | 2           | 2           | 2                    | 0                        | 2                    |
| Tax Licensing & Revenue Adm       | 1            | 1           | 1           | 1                    | 0                        | 1                    |
| <b>Total</b>                      | <b>8.5</b>   | <b>8.5</b>  | <b>8.5</b>  | <b>8.5</b>           | <b>0</b>                 | <b>8.5</b>           |
| <b>LIBRARY - CITY/GRANTS</b>      |              |             |             |                      |                          |                      |
| Admin Specialist                  | 1.5          | 1.5         | 1.5         | 1.5                  | 0                        | 1.5                  |
| Librarian                         | 1            | 1           | 1           | 1                    | 1                        | 1                    |
| Library Assistant I               | 12.75        | 13          | 13.5        | 13.5                 | 0.88                     | 14.38                |
| Library Assist. I (temp)          | 2.75         | 2.75        | 2.75        | 2.75                 | 0                        | 2.75                 |
| Library Assistant II              | 2            | 2           | 3           | 3                    | 0                        | 3                    |
| Library Cataloging Assistant      | 1            | 1           | 1           | 1                    | 0                        | 1                    |
| Library Clerk I                   | 6.25         | 6.5         | 5.5         | 5.5                  | 1                        | 6.5                  |
| Library Clerk I (temp)            | 1.5          | 1.5         | 2           | 2                    | 0.75                     | 2.75                 |
| Library COE Aide                  | 0.25         | 0.25        | 0.25        | 0.25                 | 0                        | 0.25                 |
| Library Director                  | 1            | 1           | 1           | 1                    | 0                        | 1                    |
| Library Inf. Syst. Coord.         | 2            | 2           | 2           | 2                    | 0                        | 2                    |
| Library Manager                   | 2            | 2           | 2           | 2                    | 0                        | 3                    |
| Library Manager/Outreach Services | 0            | 0           | 0           | 0                    | 1                        | 0                    |

Appendix A – Authorized Personnel/Position Summary

| DIVISION                           | 2002-2003 | 2003-2004 | 2004-2005 | Current<br>2005-2006 | New Request<br>2006-2007 | Adopted<br>2006-2007 |
|------------------------------------|-----------|-----------|-----------|----------------------|--------------------------|----------------------|
| Library Page                       | 2         | 1.5       | 1.5       | 1.5                  | 0.5                      | 2                    |
| Library Page (temp)                | 1.5       | 1.5       | 1         | 1                    | 0                        | 1                    |
| Library Supervisor                 | 2         | 2         | 2         | 2                    | 0                        | 1                    |
| Total                              | 39.5      | 39.5      | 40        | 40                   | 5.13                     | 43.13                |
| <b>FINANCE</b>                     |           |           |           |                      |                          |                      |
| Account Clerk I                    | 0         | 0         | 2         | 2                    | 0                        | 2                    |
| Account Clerk II                   | 0         | 0         | 0         | 0                    | 1                        | 1                    |
| Accounting Manager                 | 0         | 0         | 0         | 0                    | 1                        | 0                    |
| Accountant I                       | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Accountant II                      | 4         | 4         | 4         | 4                    | 0                        | 4                    |
| Acct. Clrk/Switchbd Oper.          | 2         | 2         | 0         | 0                    | 0                        | 0                    |
| Accts Payable Specialist           | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Finance/Budget Manager             | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Grants Manager                     | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Intern                             | 0         | 0         | 0         | 0                    | 0.14                     | 0.14                 |
| Payroll Assistant                  | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Payroll Specialist                 | 1         | 1         | 1         | 1                    | 0                        | 0                    |
| Payroll Supervisor                 | 0         | 0         | 0         | 0                    | 0                        | 1                    |
| Total                              | 12        | 12        | 12        | 12                   | 2.14                     | 13.14                |
| <b>MPO</b>                         |           |           |           |                      |                          |                      |
| Intern                             | 0.25      | 0.25      | 0.25      | 0.25                 | 0                        | 0.25                 |
| Administrative Assistant           | 0         | 0         | 0         | 0                    | 1                        | 0.5                  |
| Metro Planning Org Manager         | 0         | 0         | 0         | 1                    | 0                        | 1                    |
| Multi modal Planner                | 0         | 0         | 0         | 1                    | 0                        | 1                    |
| Transportation Planner             | 1         | 1         | 1         | 0                    | 0                        | 0                    |
| Total                              | 1.25      | 1.25      | 1.25      | 2.25                 | 1                        | 2.75                 |
| <b>COMMUNITY DEVELOPMENT ADMIN</b> |           |           |           |                      |                          |                      |
| Admin Spcialist                    | 2         | 2         | 2         | 1                    | 0                        | 1                    |
| Community Development Dir.         | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Deputy Community Development Dir.  | 0         | 0         | 1         | 0                    | 0                        | 0                    |
| Development Services Rep           | 2         | Transfer  | 0         | 0                    | 0                        | 0                    |
| Development Services Supv          | 1         | 0         | 0         | 0                    | 0                        | 0                    |
| Switchboard Operator               | 1.25      | 0         | 0         | 0                    | 0                        | 0                    |
| Total                              | 7.25      | 3         | 4         | 2                    | 0                        | 2                    |
| <b>DEVELOPMENT SERVICES</b>        |           |           |           |                      |                          |                      |
| Admin Asst                         | 0.75      | 0.75      | 0         | 0                    | 1                        | 0                    |
| Admin Spclst                       | 1         | 1         | 1         | 2                    | 0                        | 2                    |
| Associate Planner                  | 0         | 0         | Transfer  | 0                    | 2                        | 1                    |
| Building & Develp Services Dir     | 0         | 0         | Transfer  | 1                    | 0                        | 1                    |
| Building and Safety Manager        | 0         | 0         | Transfer  | 1                    | 0                        | 0                    |
| Building Inspection Section Mgr    | 0         | 0         | 0         | 0                    | 0                        | 1                    |
| Building Plans Examiner            | 0         | 0         | 0         | 0                    | 0                        | 3                    |
| Case Manager                       | 0         | 0         | 0         | 4                    | 1                        | 5                    |
| City Engineer                      | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Construction Manager               | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Development Review Planner         | 0         | 0         | Transfer  | 0                    | 0                        | 0                    |
| Development Services Director      | 0         | 0         | Transfer  | 1                    | 0                        | 1                    |
| Development Services Rep           | 0         | 0         | Transfer  | 2                    | 0                        | 2                    |
| Engineering Project Manager I      | 0         | 0         | Transfer  | 2                    | 0                        | 2                    |
| Engineering Project Manager II     | 0         | 0         | Transfer  | 1                    | 0                        | 1                    |
| Engineering Technician I p-time    | 0.5       | 0.5       | 0.5       | 0.5                  | 0                        | 0.5                  |
| Engineering Technician II          | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Engineering Technician III         | 1         | 1         | 1         | 1                    | 0                        | 1                    |
| Engineering Technician IV          | 2         | 2         | 2         | 1                    | 0                        | 1                    |
| Inspector I                        | 4         | 4         | 4         | 9                    | 1                        | 9                    |
| Inspector II                       | 2         | 2         | 1         | 4                    | 1                        | 5                    |
| Inspection Supervisor              | 0         | 0         | 1         | 1                    | 0                        | 1                    |
| Material Tech I (temp)             | 0.75      | 1.5       | 1.5       | 0.5                  | 0                        | 0.5                  |
| Materials Tech. I                  | 1.75      | 1         | 1         | 2                    | 0                        | 2                    |
| Materials Tech. II                 | 1         | 1         | 1         | 1                    | 0                        | 1                    |

Appendix A – Authorized Personnel/Position Summary

| DIVISION                        | 2002-2003    | 2003-2004    | 2004-2005 | Current<br>2005-2006 | New Request<br>2006-2007 | Adopted<br>2006-2007 |
|---------------------------------|--------------|--------------|-----------|----------------------|--------------------------|----------------------|
| Planner                         | 0            | 0            | Transfer  | 0                    | 0                        | 0                    |
| Plans Examiner                  | 0            | 0            | Transfer  | 4                    | 0                        | 1                    |
| Private Dev. Eng.               | 1            | 1            | 1         | 0                    | 0                        | 0                    |
| Project Mgr. I                  | 4            | 2            | 2         | 0                    | 0                        | 0                    |
| Project Mgr. II                 | 2            | 1            | 1         | 0                    | 1                        | 0                    |
| Project Management Admin.       | 0            | 0            | 0         | 1                    | 0                        | 1                    |
| Stormwater Manager              | 1            | Transfer     | 0         | 0                    | 0                        | 0                    |
| Software Analyst/Database Admin | 0            | 0            | 0         | 0                    | 1                        | 0                    |
| Survey Party Chief              | 1            | 1            | 0         | 0                    | 0                        | 0                    |
| Survey/Mapping Superv.          | 1            | 1            | 0         | 0                    | 0                        | 0                    |
| Traffic Eng. Mgr.               | 1            | 1            | 1         | 0                    | 0                        | 0                    |
| Traffic Projects & R/W Mgr.     | 1            | 1            | 1         | 0                    | 0                        | 0                    |
| <b>Total</b>                    | <b>29.75</b> | <b>25.75</b> | <b>23</b> | <b>42</b>            | <b>8</b>                 | <b>45</b>            |
| <b>COMMUNITY IMPROVEMENTS</b>   |              |              |           |                      |                          |                      |
| Admin Spclst                    | 1            | 1            | 1         | 1                    | 0                        | 1                    |
| Building & Safety Manager       | 0            | 1            | 1         | 0                    | 0                        | 0                    |
| Building & Develop Services Dir | 1            | 1            | 1         | 0                    | 0                        | 0                    |
| Community Improvement Director  | 0            | 0            | Transfer  | 1                    | 0                        | 1                    |
| Development Services Rep        | Transfer     | 2            | 2         | 0                    | 0                        | 0                    |
| Engineering Project Manager     | 0            | 0            | 0         | 1                    | 0                        | 1                    |
| Engineering Tech IV             | 0            | 0            | Transfer  | 0                    | 0                        | 0                    |
| Inspector I                     | 4            | 4            | 5         | 0                    | 0                        | 0                    |
| Inspector II                    | 3            | 3            | 3         | 0                    | 0                        | 0                    |
| Traffic Eng. Mgr.               | 0            | 0            | Transfer  | 1                    | 0                        | 1                    |
| Traffic Project Manager II      | 0            | 0            | 0         | 1                    | 1                        | 2                    |
| Transportation Intern           | 0            | 0            | 0         | 0.25                 | 0                        | 0.25                 |
| Plans Examiner                  | 3            | 3            | 3         | 0                    | 0                        | 0                    |
| <b>Total</b>                    | <b>12</b>    | <b>15</b>    | <b>16</b> | <b>5.25</b>          | <b>1</b>                 | <b>6.25</b>          |
| <b>COMMUNITY INVESTMENT</b>     |              |              |           |                      |                          |                      |
| Admin Spclst                    | 1            | 1            | 1         | 2                    | 0                        | 2                    |
| Associate Planner               | 3            | 3            | 3         | 1                    | 0                        | 1                    |
| Community Code Officer II       | 0            | 0            | 0         | 0                    | 1                        | 1                    |
| Community Code Supervisor       | 0            | 0            | 0         | 0                    | 1                        | 1                    |
| Community Housing Counselor     | 0            | 0            | 0         | 0                    | 1                        | 0                    |
| Community Investment Director   | 0            | 0            | Transfer  | 1                    | 0                        | 1                    |
| Community Planner               | 0            | 0            | 0         | 0                    | 2                        | 1                    |
| Current Planner                 | 1            | 1            | 1         | 0                    | 0                        | 0                    |
| Development Review Planner      | 1            | 1            | 1         | 0                    | 0                        | 0                    |
| Housing Manager                 | 0            | 0            | 1         | 1                    | 0                        | 1                    |
| Housing Planner                 | 1            | 1            | 1         | 1                    | 0                        | 1                    |
| Housing and Grants Admin.A264   | 0            | 0            | 0         | 0                    | 0                        | 1                    |
| Housing and CD Specialist       | 1            | 1            | 1         | 1                    | 0                        | 0                    |
| Land Trust Manager              | 0            | 0            | 0         | 1                    | 0                        | 1                    |
| Long Range Planner              | 1            | 1            | 1         | 1                    | 0                        | 1                    |
| Planner                         | 2            | 2            | 2         | 0                    | 0                        | 0                    |
| Planning Director               | 1            | 1            | 1         | 0                    | 0                        | 0                    |
| Planning Technician             | 1            | 1            | 0         | 0                    | 0                        | 0                    |
| Redevelopment Program Mgr.      | 1            | 1            | 1         | 1                    | 0                        | 1                    |
| Community Code Administrator    | 0            | 0            | 0         | 1                    | 0                        | 1                    |
| Zoning Enforce. Officer         | 1            | 1            | 1         | 1                    | 0                        | 0                    |
| Community Code Officer          | 0            | 0            | 0         | 0                    | 0                        | 2                    |
| Zoning Code Enf Official        | 1            | 1            | 1         | 1                    | 0                        | 0                    |
| <b>Total</b>                    | <b>16</b>    | <b>16</b>    | <b>16</b> | <b>13</b>            | <b>5</b>                 | <b>16</b>            |
| <b>FIRE</b>                     |              |              |           |                      |                          |                      |
| Admin Asst                      | 1            | 1            | 1         | 1                    | 0                        | 1                    |
| Admin Spclst                    | 1            | 1            | 1         | 1                    | 0                        | 1                    |
| Air Technician                  | 0            | 0            | 0         | 0                    | 1                        | 0                    |
| Asst. Fire Chief                | 2            | 2            | 2         | 2                    | 0                        | 2                    |
| Asst. Fuel Mgr.                 | 1            | 1            | 1         | 1                    | 0                        | 1                    |
| Fire Battalion Chief            | 3            | 3            | 3         | 3                    | 0                        | 3                    |
| Fire Captain                    | 21           | 21           | 21        | 21                   | 0                        | 21                   |

Appendix A – Authorized Personnel/Position Summary

| DIVISION                           | 2002-2003     | 2003-2004    | 2004-2005    | Current<br>2005-2006 | New Request<br>2006-2007 | Adopted<br>2006-2007 |
|------------------------------------|---------------|--------------|--------------|----------------------|--------------------------|----------------------|
| Fire Chief                         | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| Fire Engineer                      | 21            | 21           | 21           | 21                   | 0                        | 21                   |
| Fire Fighter                       | 36            | 36           | 36           | 36                   | 9                        | 39                   |
| Fire Inspector II                  | 2             | 2            | 2            | 2                    | 0                        | 2                    |
| Fire Management Analyst            | 0             | 0            | 0            | 0                    | 1                        | 0                    |
| Fire Training Officer              | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| FireWise Coordinator               | 0             | 0            | 0            | 1                    | 0                        | 1                    |
| Fuel Management Officer            | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| Fuel Mgt. Crew Member              | 2.75          | 2.75         | 2.75         | 2.75                 | 0                        | 2.75                 |
| Fuel Mgt. Leadworker               | 3             | 3            | 1            | 1                    | 0                        | 1                    |
| Fuel Management Technicians        | 0             | 0            | 2            | 2                    | 0                        | 2                    |
| <b>Total</b>                       | <b>96.75</b>  | <b>96.75</b> | <b>96.75</b> | <b>97.75</b>         | <b>11</b>                | <b>100.75</b>        |
| <b>POLICE</b>                      |               |              |              |                      |                          |                      |
| Admin Asst                         | 9.5           | 10           | 10           | 10                   | 0                        | 10                   |
| Admin Spclst                       | 4             | 4            | 4            | 4                    | 0                        | 4                    |
| Animal Control Officer             | 2             | 2            | 2            | 2                    | 1                        | 2                    |
| Assist. Records Clerk-COE          | 0.5           | 0            | 0            | 0                    | 0                        | 0                    |
| COE Aide (clerical)                | 0.75          | 0            | 0            | 0                    | 0                        | 0                    |
| Deputy Police Chief                | 2             | 2            | 2            | 2                    | 0                        | 2                    |
| Emerg Comm Specialist              | 23.5          | 22           | 22           | 25                   | 0                        | 25                   |
| Emerg Comm Speclst - Idwkr         | 3             | 4            | 4            | 4                    | 0                        | 4                    |
| Evidence Clerk                     | 1             | 0            | 0            | 0                    | 0                        | 0                    |
| Evidence Technician                | 1             | 2            | 2            | 2                    | 1                        | 3                    |
| Parking Control Officer            | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| Police Caseworker                  | 1             | 1            | 0            | 0                    | 0                        | 0                    |
| Police Chief                       | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| Police Communications Mgr          | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| Police Corporal/Det.               | 17            | 17           | 17           | 17                   | 1                        | 17                   |
| Police Info System Tech            | 2             | 2            | 0            | 0                    | 0                        | 0                    |
| Police Lieutenant                  | 3             | 3            | 4            | 5                    | 0                        | 5                    |
| Police Officer                     | 58            | 61           | 64           | 65                   | 6                        | 68                   |
| Police Records Leadworker          | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| Police Sergeant                    | 11            | 11           | 11           | 12                   | 0                        | 12                   |
| Police Special Serv. Sup           | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| Police Support Serv. Mgr.          | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| Property Control Coord             | 1             | 1            | 1            | 1                    | 1                        | 1                    |
| <b>Total</b>                       | <b>146.25</b> | <b>148</b>   | <b>149</b>   | <b>155</b>           | <b>10</b>                | <b>159</b>           |
| <b>POLICE GRANTS</b>               |               |              |              |                      |                          |                      |
| Admin Spclst                       | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| Police Officer                     | 0             | 0            | Transfer     | 3                    | 0                        | 3                    |
| Police Seargent                    | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| <b>Total</b>                       | <b>2</b>      | <b>2</b>     | <b>2</b>     | <b>5</b>             | <b>0</b>                 | <b>5</b>             |
| <b>PUBLIC WORKS ADMINISTRATION</b> |               |              |              |                      |                          |                      |
| Admin Spclst                       | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| Public Works Director              | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| Senior Project Manager             | 0             | 1            | 1            | 1                    | 0                        | 1                    |
| <b>Total</b>                       | <b>2</b>      | <b>3</b>     | <b>3</b>     | <b>3</b>             | <b>0</b>                 | <b>3</b>             |
| <b>PARKS</b>                       |               |              |              |                      |                          |                      |
| Inventory Mgmt Specialist III      | 0             | 0            | 0            | 0                    | 1                        | 0                    |
| Maintenance Worker                 | 6.25          | 5            | 7            | 6.75                 | 0.69                     | 6.75                 |
| Maintenance Worker I               | 7             | 6            | 6            | 7                    | 2                        | 8                    |
| Maintenance Worker II              | 8             | 8            | 8            | 9                    | 0                        | 9                    |
| Maintenance Worker III             | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| Maintenance Worker III Leadworker  | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| Parks Supt.                        | 1             | 1            | 1            | 1                    | 0                        | 1                    |
| <b>Total</b>                       | <b>24.25</b>  | <b>22</b>    | <b>24</b>    | <b>25.75</b>         | <b>3.69</b>              | <b>26.75</b>         |

Appendix A – Authorized Personnel/Position Summary

| DIVISION                                | 2002-2003    | 2003-2004    | 2004-2005    | Current<br>2005-2006 | New Request<br>2006-2007 | Adopted<br>2006-2007 |
|---|--------------|--------------|--------------|----------------------|--------------------------|----------------------|
| <b>FLEET SERVICES</b>                   |              |              |              |                      |                          |                      |
| Administrative Assistant                | 0            | 0            | 0            | 0                    | 0.5                      | 0                    |
| Buyer I                                 | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Fleet Mgmt. Supt.                       | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Fleet Supervisor                        | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Mechanic Aide                           | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Mechanic I                              | 3            | 2            | 2            | 2                    | 0                        | 2                    |
| Mechanic II                             | 6            | 6            | 6            | 6                    | 1                        | 6                    |
| Service Writer                          | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Welder                                  | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| <b>Total</b>                            | <b>15</b>    | <b>14</b>    | <b>14</b>    | <b>14</b>            | <b>1.5</b>               | <b>14</b>            |
| <b>FACILITIES MAINTENANCE</b>           |              |              |              |                      |                          |                      |
| Custodian/Attendant                     | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Facility Maintenance Manager            | 0            | 0            | 0            | 0                    | 0                        | 1                    |
| Facility Maint. Supt.                   | 1            | 1            | 1            | 1                    | 0                        | 0                    |
| Maintenance Worker I                    | 1            | 1            | 1            | 2                    | 0                        | 2                    |
| Maintenance Worker II                   | 4            | 4            | 3            | 3                    | 0                        | 3                    |
| Maintenance Worker III                  | 2            | 2            | 2            | 2                    | -1                       | 1                    |
| Maintenance Worker III - HVAC           | 0            | 0            | 0            | 0                    | 1                        | 1                    |
| Maintenance Worker III-Lead             | 0            | 0            | 0            | 0                    | 1                        | 1                    |
| Recreation Mech. Maint. Worker          | 1            | 1            | 0            | 0                    | 0                        | 0                    |
| <b>Total</b>                            | <b>10</b>    | <b>10</b>    | <b>8</b>     | <b>9</b>             | <b>1</b>                 | <b>10</b>            |
| <b>RECREATION</b>                       |              |              |              |                      |                          |                      |
| Admin Asst                              | 0.75         | 0.75         | 0            | 1                    | 0                        | 1                    |
| Admin Spclst                            | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Intern                                  | 0.25         | 0.25         | 0.25         | 0.25                 | 0                        | 0.25                 |
| Parks & Recreation Manager              | 0            | 0            | 0            | 1                    | 0                        | 1                    |
| Parks & Recreation Director             | 1            | 1            | 1            | 0                    | 0                        | 0                    |
| Parks Project Manager                   | 1            | Transfer     | 0            | 0                    | 0                        | 0                    |
| Recreation Coord. I                     | 7            | 7            | 6.5          | 6.5                  | 0                        | 6.5                  |
| Recreation Coordinator II               | 2            | 2            | 2            | 2                    | 0                        | 2                    |
| Recreation Supt.                        | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Recreation Supervisor                   | 0            | 0            | 0            | 0                    | 2                        | 0                    |
| Recreation Temporaries                  | 27.25        | 24.75        | 20.2         | 21.03                | 1.81                     | 21.32                |
| Senior Recreation Coordinator           | 8            | 7            | 7            | 7                    | 1                        | 8                    |
| <b>Total</b>                            | <b>49.25</b> | <b>44.75</b> | <b>38.95</b> | <b>40.78</b>         | <b>4.81</b>              | <b>42.07</b>         |
| <b>STREET MAINTENANCE &amp; REPAIRS</b> |              |              |              |                      |                          |                      |
| Admin Spclst                            | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Administrative Assistant                | 0            | 0            | 0            | 0                    | 0.5                      | 0                    |
| Cemetery Maint. Specialist              | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Equip. Oper. III LDWKR                  | 1            | 1            | 1            | 0                    | 0                        | 0                    |
| Equip. Oper. various temps              | 2.5          | 5.5          | 5.5          | 5.5                  | 0                        | 5.5                  |
| Equipment Operator I                    | 6            | 3            | 3            | 3                    | 0                        | 3                    |
| Equipment Operator II                   | 8            | 8            | 8            | 8                    | 0                        | 8                    |
| Equipment Operator III                  | 3            | 3            | 3            | 3                    | 0                        | 3                    |
| Intern                                  | 0            | 0            | 0            | 0                    | 1                        | 0                    |
| Leadworker/Training Coord.              | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Maint. Wkr. I                           | 4            | 4            | 4            | 4                    | 2.12                     | 3                    |
| Maint. Wkr. II                          | 2            | 2            | 2            | 2                    | 0                        | 3                    |
| Maint. Wkr. III                         | 2            | 2            | 2            | 2                    | 0                        | 2                    |
| Maint. Wkr. III LDWKR                   | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Maint. Worker temp                      | 0.75         | 0.75         | 0.75         | 0.75                 | 0                        | 0.75                 |
| Street Superintendent                   | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Street Supervisor                       | 1            | 1            | 1            | 0                    | 0                        | 0                    |
| Street Supervisor / Maintenance         | 0            | 0            | 0            | 0                    | 1                        | 0                    |
| Supervisor of Operations                | 0            | 0            | 0            | 1                    | 0                        | 1                    |
| Traffic Signal Technician               | 1            | 1            | 1            | 1                    | 0                        | 1                    |
| Traffic Signal Technician Ass't         | 0            | 0            | 0            | 0                    | 1                        | 1                    |
| Transportation and Maint Mgr            | 0            | 0            | 0            | 1                    | 0                        | 1                    |
| <b>Total</b>                            | <b>36.25</b> | <b>36.25</b> | <b>36.25</b> | <b>36.25</b>         | <b>5.62</b>              | <b>37.25</b>         |

Appendix A – Authorized Personnel/Position Summary

| DIVISION                           | 2002-2003  | 2003-2004    | 2004-2005    | Current<br>2005-2006 | New Request<br>2006-2007 | Adopted<br>2006-2007 |
|------------------------------------|------------|--------------|--------------|----------------------|--------------------------|----------------------|
| <b>AIRPORT</b>                     |            |              |              |                      |                          |                      |
| Admin Spclst                       | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| Airport Manager                    | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| Airport Operations Supv            | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| Airport Service Worker I           | 3          | 3            | 3            | 3                    | 0                        | 3                    |
| Airport Service Worker II          | 3          | 3            | 3            | 3                    | 1                        | 3                    |
| Equip. Operator II temp            | 0.5        | 0.5          | 0.5          | 0.5                  | 0                        | 0.5                  |
| Maintenance Wrks I Temp            | 0          | 0            | 0            | 0                    | 0.5                      | 0.5                  |
| <b>Total</b>                       | <b>9.5</b> | <b>9.5</b>   | <b>9.5</b>   | <b>9.5</b>           | <b>1.5</b>               | <b>10</b>            |
| <b>ENVIRONMENTAL SERVICES</b>      |            |              |              |                      |                          |                      |
| Admin Asst                         | 2          | 2            | 2            | 2.5                  | 0                        | 2.5                  |
| Admin Spclst                       | 2          | 2            | 2            | 2                    | 0                        | 2                    |
| Bin Maint./Equip. Oper.            | 1          | 1            | 1            | 2                    | 0                        | 2                    |
| Brownfield Operations              | 0          | 0            | 2            | 0                    | 0                        | 0                    |
| Brownfield Specialist              | 0          | 0            | 0            | 1                    | 0                        | 1                    |
| Brownfield Program Ass't           | 0          | 0            | 0            | 1                    | 0                        | 1                    |
| Code Enforcement Aide              | 0          | 0            | 0            | 0                    | 1                        | 1                    |
| Conservation Coordinator           | 1          | 1            | 1            | 0                    | 0                        | 0                    |
| Conservation Manager               | 0          | 0            | 0            | 1                    | 0                        | 1                    |
| Environmental Aide                 | 0          | 0            | 0            | 0                    | 0.6                      | 0.6                  |
| Environmental Code Officer         | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| Environ Operations Manager         | 0          | 0            | 1            | 1                    | 0                        | 1                    |
| Environ Program Manager            | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| Environ Supervisor                 | 1          | 1            | 1            | 1                    | 0                        | 0                    |
| Environ Svcs Collection Super      | 0          | 0            | 0            | 1                    | 1                        | 2                    |
| Environ Svc Equip Oper I           | 2          | 2            | 2            | 2                    | 2                        | 4                    |
| Environmental Assistant            | 0          | 0            | 1.5          | 1.5                  | 0                        | 1.5                  |
| Environmental Program Specialist   | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| Environmental Project Manager      | 0          | 0            | 0            | 0                    | 0                        | 1                    |
| Environmental Project Specialist   | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| Environmental Services Director    | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| Environmental Services Mgr         | 3          | 3            | 2            | 2                    | 0                        | 2                    |
| Environmental Technician           | 0.5        | 1            | 1            | 1                    | 0                        | 1                    |
| Equipment Oper. I - Temp.          | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| ES Equip. Oper. II                 | 9          | 9            | 11           | 11                   | 0                        | 11                   |
| ES Equip. Oper. III-Commercial     | 8          | 8            | 8            | 9                    | 1                        | 10                   |
| ES Equip. Oper. III-Relief Driver  | 0          | 0            | 0            | 0                    | 1                        | 1                    |
| ES Training & Safety Coord         | 1          | 1            | 1            | 0                    | 0                        | 0                    |
| Landfill Equip Operator I          | 1          | 1            | 2            | 1                    | 0                        | 1                    |
| Landfill Equip Operator II         | 1          | 1            | 1            | 1                    | 1                        | 2                    |
| Landfill Equip Operator III        | 3          | 3            | 3            | 3                    | 0                        | 3                    |
| Landfill Maint Operator            | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| Program Asst                       | 1.5        | 1.75         | 1.75         | 2                    | 0                        | 2                    |
| Project Manager II                 | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| Sustainability Coordinator         | 0          | 0            | 0            | 0                    | 1                        | 1                    |
| <b>Total</b>                       | <b>45</b>  | <b>45.75</b> | <b>52.25</b> | <b>54</b>            | <b>8.6</b>               | <b>62.6</b>          |
| <b>UTILITIES ADMINISTRATION</b>    |            |              |              |                      |                          |                      |
| Admin Spclst                       | 2          | 2            | 2            | 2                    | 0                        | 2                    |
| Assistant Utilities Director       | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| GIS System Analyst                 | 0          | 0            | 1            | 1                    | 0                        | 1                    |
| Plant Supervisor                   | 1          | 1            | 1            | 0                    | 0                        | 0                    |
| Program Asst                       | 1          | 1            | 0            | 0                    | 0                        | 0                    |
| Utilities Director                 | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| Utilities Engineer                 | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| Utilities Program Assistant        | 0          | 0            | 1            | 1                    | 0                        | 1                    |
| Utilities Senior Project Manager   | 0          | 0            | 0            | 1                    | 0                        | 1                    |
| Water Conservation Manager         | 0          | 1            | 1            | 1                    | 0                        | 1                    |
| Water Conservation Enforcement Aid | 0          | 0            | 0.5          | 0.5                  | 0                        | 0.5                  |
| Water/Sewer Util. Locator          | 1          | 1            | 1            | 1                    | 0                        | 1                    |
| <b>Total</b>                       | <b>8</b>   | <b>9</b>     | <b>10.5</b>  | <b>10.5</b>          | <b>0</b>                 | <b>10.5</b>          |

Appendix A – Authorized Personnel/Position Summary

| DIVISION                            | 2002-2003   | 2003-2004   | 2004-2005   | Current<br>2005-2006 | New Request<br>2006-2007 | Adopted<br>2006-2007 |
|-------------------------------------|-------------|-------------|-------------|----------------------|--------------------------|----------------------|
| <b>LAKE MARY WATER PLANT</b>        |             |             |             |                      |                          |                      |
| Instrument Tech                     | 1           | 1           | 1           | 1                    | 0                        | 1                    |
| Lab Director/Chemist                | 1           | 1           | 1           | 1                    | 0                        | 1                    |
| Laboratory Tech                     | 1           | 1           | 1           | 1                    | 0                        | 1                    |
| Mech. Maint. Wkr I (temp)           | 1           | 1           | 1           | 1                    | 0                        | 1                    |
| Mech. Maint. Wkr. III               | 2           | 2           | 2           | 2                    | 0                        | 2                    |
| Mech. Maint. Wkr. IV                | 1           | 1           | 1           | 1                    | 0                        | 1                    |
| Plant Operator                      | 3           | 3           | 3           | 3                    | 0                        | 3                    |
| Plant Supervisor                    | 1           | 1           | 1           | 0                    | 0                        | 0                    |
| Water Production Manager            | 0           | 0           | 0           | 1                    | 0                        | 1                    |
| Water Treat/Prod Chf Operator       | 1           | 1           | 1           | 1                    | 0                        | 1                    |
| <b>Total</b>                        | <b>12</b>   | <b>12</b>   | <b>12</b>   | <b>12</b>            | <b>0</b>                 | <b>12</b>            |
| <b>CUSTOMER SERVICE</b>             |             |             |             |                      |                          |                      |
| Admin Asst                          | 4           | 3.5         | 2.5         | 2.5                  | 0                        | 2.5                  |
| Admin Spclst                        | 1           | 1           | 2           | 2                    | 0                        | 2                    |
| Customer Srvc Manager               | 1           | 1           | 1           | 1                    | 0                        | 1                    |
| Meter Reader                        | 4           | 4           | 4           | 4                    | 0                        | 4                    |
| Meter Reader Supervisor             | 1           | 1           | 1           | 1                    | 0                        | 1                    |
| Meter Reader Supervisor/Collections | 0           | 0           | 0           | 0                    | 0                        | 0                    |
| <b>Total</b>                        | <b>11</b>   | <b>10.5</b> | <b>10.5</b> | <b>10.5</b>          | <b>0</b>                 | <b>10.5</b>          |
| <b>WATER DISTRIBUTION SYSTEM</b>    |             |             |             |                      |                          |                      |
| Field Services Supervisor           | 0           | 0           | 0           | 1                    | 0                        | 1                    |
| Maintenance Worker - Temp           | 1           | 1           | 1           | 1                    | 0                        | 1                    |
| Maintenance Worker I                | 5           | 5           | 1           | 1                    | 0                        | 1                    |
| Maintenance Worker II               | 1           | 1           | 0           | 0                    | 0                        | 0                    |
| Maintenance Worker III              | 4           | 4           | 0           | 0                    | 0                        | 0                    |
| Maintenance Worker III-LDWKR        | 1           | 1           | 0           | 0                    | 0                        | 0                    |
| Meter Service Tech.                 | 1           | 1           | 0           | 0                    | 0                        | 0                    |
| Utility Service Supr.               | 1           | 1           | 1           | 0                    | 0                        | 0                    |
| Water Services Specialist           | 0           | 0           | 1           | 1                    | 0                        | 1                    |
| Water Services Tech                 | 0           | 0           | 10          | 10                   | 2                        | 12                   |
| <b>Total</b>                        | <b>14</b>   | <b>14</b>   | <b>14</b>   | <b>14</b>            | <b>2</b>                 | <b>16</b>            |
| <b>WASTEWATER TREATMENT PLANT</b>   |             |             |             |                      |                          |                      |
| Equip. Operator II temp             | 1.5         | 1.5         | 1.5         | 1.5                  | 0                        | 1.5                  |
| Instrument Technician               | 1           | 0           | 0           | 0                    | 0                        | 0                    |
| Lab Director/Chemist                | 1           | 0           | 0           | 0                    | 0                        | 0                    |
| Lab Technician                      | 1           | 0           | 0           | 0                    | 0                        | 0                    |
| Mech. Maint. Wkr II                 | 1           | 0           | 0           | 0                    | 0                        | 0                    |
| Mech. Maint. Wkr III                | 1           | 0           | 0           | 0                    | 0                        | 0                    |
| Mech. Maint. Wkr. IV                | 1           | 0           | 0           | 0                    | 0                        | 0                    |
| Mech. Maint. Worker I               | 2           | 0           | 0           | 0                    | 0                        | 0                    |
| Plant Operator                      | 2           | 0           | 0           | 0                    | 0                        | 0                    |
| Plant Specialist                    | 0           | 5           | 4           | 4                    | 0                        | 4                    |
| Plant Supervisor                    | 1           | 1           | 1           | 0                    | 0                        | 0                    |
| Plant Tech-Multi-Skilled Wrk        | 0           | 10          | 7           | 7                    | 0                        | 7                    |
| Senior Plant Operator               | 1           | 0           | 0           | 0                    | 0                        | 0                    |
| Wastewater Treatment Manager        | 0           | 0           | 0           | 1                    | 0                        | 1                    |
| <b>Total</b>                        | <b>13.5</b> | <b>17.5</b> | <b>13.5</b> | <b>13.5</b>          | <b>0</b>                 | <b>13.5</b>          |
| <b>WASTEWATER COLLECTION</b>        |             |             |             |                      |                          |                      |
| Maintenance Wkr. I                  | 3           | 3           | 0           | 0                    | 0                        | 0                    |
| Maintenance Wkr. II                 | 1           | 1           | 0           | 0                    | 0                        | 0                    |
| Maintenance Wkr. III                | 2           | 2           | 0           | 0                    | 0                        | 0                    |
| Maintenance Wkr. III-Leadworker     | 1           | 1           | 0           | 0                    | 0                        | 0                    |
| Utilities Service Supr.             | 1           | Transfer    | 0           | 0                    | 0                        | 0                    |
| Water Services Specialist           | 0           | 0           | 1           | 1                    | 0                        | 1                    |
| Water Services Tech                 | 0           | 0           | 6           | 8                    | 0                        | 8                    |
| <b>Total</b>                        | <b>8</b>    | <b>7</b>    | <b>7</b>    | <b>9</b>             | <b>0</b>                 | <b>9</b>             |

Appendix A – Authorized Personnel/Position Summary

| DIVISION                                    | 2002-2003     | 2003-2004     | 2004-2005     | Current<br>2005-2006 | New Request<br>2006-2007 | Adopted<br>2006-2007 |
|---|---------------|---------------|---------------|----------------------|--------------------------|----------------------|
| <b>WASTEWATER MONITORING</b>                |               |               |               |                      |                          |                      |
| Asministrative Specialist                   | 0             | 0             | 0             | 0                    | 0.5                      | 0.5                  |
| Industrial Waste Inspector                  | 2             | 2             | 2             | 2                    | 0                        | 2                    |
| Industrial Waste Supervisor                 | 1             | 1             | 1             | 1                    | 0                        | 1                    |
| <b>Total</b>                                | <b>3</b>      | <b>3</b>      | <b>3</b>      | <b>3</b>             | <b>0.5</b>               | <b>3.5</b>           |
| <b>RECLAIMED WASTEWATER TREATMENT PLANT</b> |               |               |               |                      |                          |                      |
| Instrument Technician                       | 1             | Transfer      | 0             | 0                    | 0                        | 0                    |
| Lab Technician                              | 1             | Transfer      | 0             | 0                    | 0                        | 0                    |
| Mech. Maint. Wkr. III                       | 1             | Transfer      | 0             | 0                    | 0                        | 0                    |
| Plant Operator                              | 1             | Transfer      | 0             | 0                    | 0                        | 0                    |
| Plant Specialist                            | 0             | 0             | 1             | 1                    | 0                        | 1                    |
| Plant Tech Multi-Skilled Wrk                | 0             | 0             | 3             | 3                    | 0                        | 3                    |
| Senior Plant Operator                       | 1             | Transfer      | 0             | 0                    | 0                        | 0                    |
| <b>Total</b>                                | <b>5</b>      | <b>0</b>      | <b>4</b>      | <b>4</b>             | <b>0</b>                 | <b>4</b>             |
| <b>CITY COURT</b>                           |               |               |               |                      |                          |                      |
| Admin Asst                                  | 10            | 10            | 10            | 9                    | 2                        | 9                    |
| Admin Spclst                                | 2.25          | 2.25          | 2.25          | 3.25                 | 0                        | 3.25                 |
| Court Administrator                         | 1             | 1             | 1             | 1                    | 0                        | 1                    |
| Court Collection Specialist                 | 1             | 1             | 1             | 1                    | 0                        | 1                    |
| Court Info Systems Spec                     | 1             | 1             | 1             | 1                    | 0                        | 1                    |
| Court Interpreter                           | 1             | 1             | 1             | 1                    | 0                        | 1                    |
| Court Security Officer                      | 0             | 0             | 0             | 0                    | 3                        | 0                    |
| Court Training Specialist                   | 1             | 1             | 1             | 1                    | 0                        | 1                    |
| Deputy Court Administrator                  | 2             | 2             | 2             | 2                    | 0                        | 2                    |
| Magistrate                                  | 1.75          | 1.75          | 1.75          | 1.75                 | 1                        | 1.75                 |
| Presiding Magistrate                        | 1             | 1             | 1             | 1                    | 0                        | 1                    |
| Probation Officer                           | 0.75          | 2             | 2             | 2                    | 0                        | 2                    |
| Pro-Tem Magistrate                          | 0.5           | 0.5           | 0.5           | 0.5                  | 0                        | 0.5                  |
| Warrant Officer                             | 2             | 2             | 2             | 2                    | 0                        | 2                    |
| <b>Total</b>                                | <b>25.25</b>  | <b>26.5</b>   | <b>26.5</b>   | <b>26.5</b>          | <b>6</b>                 | <b>26.5</b>          |
| <b>BEAUTIFICATION</b>                       |               |               |               |                      |                          |                      |
| Urban Design Planner                        | 1             | 1             | 1             | 1                    | 0                        | 1                    |
| <b>Total</b>                                | <b>1</b>      | <b>1</b>      | <b>1</b>      | <b>1</b>             | <b>0</b>                 | <b>1</b>             |
| <b>TOURISM</b>                              |               |               |               |                      |                          |                      |
| Admin Spclst                                | 1             | 1             | 1             | 1                    | 0                        | 1                    |
| CVB Director                                | 0             | 0             | 1             | 1                    | 0                        | 1                    |
| CVB Manager                                 | 1             | 1             | 0             | 0                    | 0                        | 0                    |
| Marketing Assistant                         | 0             | 1             | 1             | 1                    | 0                        | 1                    |
| Publications Associate                      | 0             | 0             | 0             | 1                    | 0                        | 1                    |
| Publication Specialist                      | 0             | 0             | 0             | 0                    | 1                        | 1                    |
| Public Relations Assistant                  | 0             | 0             | 0             | 0                    | 0.5                      | 0                    |
| Public Relations Associate                  | 1             | 1             | 1             | 0                    | 0                        | 0                    |
| Public Relations Manager                    | 0             | 0             | 1             | 1                    | 0                        | 1                    |
| Sales and Marketing Assistant               | 0             | 0             | 0             | 0                    | 0.5                      | 0                    |
| Sales Marketing & Associate                 | 2             | 1             | 2             | 2                    | 0                        | 2                    |
| Sales & Marketing Manager                   | 1             | 1             | 1             | 1                    | 0                        | 1                    |
| <b>Total</b>                                | <b>6</b>      | <b>6</b>      | <b>8</b>      | <b>8</b>             | <b>2</b>                 | <b>9</b>             |
| <b>TOURISM-VISITOR CENTER</b>               |               |               |               |                      |                          |                      |
| Admin Asst                                  | 0             | 3.25          | 3.25          | 3.25                 | 1                        | 4.25                 |
| Admin Spclst                                | 0             | 1.5           | 1.5           | 1.5                  | 0                        | 1.5                  |
| Visitor Center Supervisor                   | 0             | 1             | 1             | 1                    | 0                        | 1                    |
| <b>Total</b>                                | <b>0</b>      | <b>5.75</b>   | <b>5.75</b>   | <b>5.75</b>          | <b>1</b>                 | <b>6.75</b>          |
| <b>STORMWATER</b>                           |               |               |               |                      |                          |                      |
| Clerical Temp                               | 0             | 0.25          | 0             | 0                    | 0                        | 0                    |
| Floodplain Inspector                        | 0             | 0             | 0             | 1                    | 0                        | 1                    |
| Intern                                      | 0             | 0.5           | 0             | 0.5                  | 0                        | 0.5                  |
| Project Manager I                           | 0             | 2             | 2             | 2                    | 0                        | 2                    |
| Project Manager II                          | 0             | 1             | 1             | 1                    | 0                        | 1                    |
| Stormwater Manager                          | 0             | 1             | 1             | 1                    | 0                        | 1                    |
| Stormwater Service Analyst                  | 0             | 1             | 1             | 1                    | 0                        | 1                    |
| <b>Total</b>                                | <b>0</b>      | <b>5.75</b>   | <b>5</b>      | <b>6.5</b>           | <b>0</b>                 | <b>6.5</b>           |
| <b>GRAND TOTALS</b>                         | <b>741.25</b> | <b>739.00</b> | <b>743.45</b> | <b>768.03</b>        | <b>91.64</b>             | <b>809.69</b>        |

2006-2007 City of Flagstaff Pay Plan  
2080 Hours

| Range | Pos # | Position Title        | Mid 12+                  |                        |                     |                     |                                      |                   |                |                        |                       |                     |                    |                  |                    |                |
|-------|-------|-----------------------|--------------------------|------------------------|---------------------|---------------------|--------------------------------------|-------------------|----------------|------------------------|-----------------------|---------------------|--------------------|------------------|--------------------|----------------|
|       |       |                       | Min                      | Step 1                 | Step 2              | Step 3              | Step 4                               | Step 5            | Step 6         | Step 7                 | Step 8                | Step 9              | Step 10            | Step 11          | Step 12            | Step 13        |
| A-1-0 | 10103 | N Custodian/Attendant | 9,145.1                  | 9,548.4                | 9,929.9             | 10,333.2            | 10,725.6                             | 11,128.9          | 11,521.3       | 11,913.7               | 12,349.7              |                     |                    |                  |                    |                |
|       | 10100 | N Library Page        | 731.61                   | 765.87                 | 794.39              | 826.66              | 858.05                               | 890.31            | 921.70         | 953.10                 | 987.98                |                     |                    |                  |                    |                |
|       |       |                       | 1585.15                  | 1655.06                | 1721.18             | 1791.09             | 1859.10                              | 1929.01           | 1997.03        | 2065.04                | 2140.61               |                     |                    |                  |                    |                |
| A-1-1 |       | N                     | 19021.81                 | 19860.67               | 20654.19            | 21493.06            | 22309.25                             | 23148.11          | 23964.30       | 24780.50               | 25687.38              |                     |                    |                  |                    |                |
|       |       |                       | 10,540.3                 | 10,987.2               | 11,445.0            | 11,902.8            | 12,360.6                             | 12,829.3          | 13,287.1       | 13,744.9               | 14,213.6              |                     |                    |                  |                    |                |
|       |       |                       | 843.22                   | 878.98                 | 915.60              | 952.22              | 988.85                               | 1026.34           | 1062.97        | 1099.59                | 1137.09               |                     |                    |                  |                    |                |
| A-1-2 |       | N                     | 1826.99                  | 1904.45                | 1983.80             | 2063.15             | 2142.50                              | 2223.75           | 2303.10        | 2382.45                | 2463.69               |                     |                    |                  |                    |                |
|       |       |                       | 21923.82                 | 22853.38               | 23805.60            | 24757.82            | 25710.05                             | 26684.94          | 27637.17       | 28589.39               | 29564.29              |                     |                    |                  |                    |                |
|       |       |                       | 11,445.0                 | 11,946.4               | 12,458.7            | 12,971.0            | 13,472.4                             | 13,995.6          | 14,497.0       | 15,009.3               | 15,456.2              |                     |                    |                  |                    |                |
| A-1-3 |       | N                     | 915.60                   | 955.71                 | 996.70              | 1037.68             | 1077.79                              | 1119.65           | 1159.76        | 1200.74                | 1236.50               |                     |                    |                  |                    |                |
|       |       |                       | 1983.80                  | 2070.71                | 2159.51             | 2248.31             | 2335.22                              | 2425.90           | 2512.81        | 2601.61                | 2679.07               |                     |                    |                  |                    |                |
|       |       |                       | 23805.60                 | 24848.51               | 25914.10            | 26979.68            | 28022.59                             | 29110.85          | 30153.76       | 31219.34               | 32148.90              |                     |                    |                  |                    |                |
| A-1-4 |       | N                     | 13,199.9                 | 13,777.6               | 14,366.2            | 14,933.0            | 15,532.5                             | 16,099.3          | 16,677.0       | 17,265.6               | 17,810.6              |                     |                    |                  |                    |                |
|       |       |                       | 10400                    | 1055.99                | 1102.21             | 1149.30             | 1194.64                              | 1242.60           | 1287.94        | 1334.16                | 1381.25               |                     |                    |                  |                    |                |
|       |       |                       | 2287.98                  | 2388.12                | 2490.14             | 2588.39             | 2692.30                              | 2790.55           | 2890.68        | 2992.70                | 3087.17               |                     |                    |                  |                    |                |
| A-1-5 |       | N                     | 27455.79                 | 28657.41               | 29881.70            | 31060.64            | 32307.60                             | 33486.54          | 34688.16       | 35912.45               | 37046.05              |                     |                    |                  |                    |                |
|       |       |                       | 13,853.9                 | 14,388.0               | 14,911.2            | 15,434.4            | 15,990.3                             | 16,513.5          | 17,036.7       | 17,581.7               | 18,104.9              |                     |                    |                  |                    |                |
|       |       |                       | 1108.31                  | 1151.04                | 1192.90             | 1234.75             | 1279.22                              | 1321.08           | 1362.94        | 1406.54                | 1448.39               |                     |                    |                  |                    |                |
| B-2-1 |       | N                     | 2401.34                  | 2493.92                | 2584.61             | 2675.30             | 2771.65                              | 2862.34           | 2953.03        | 3047.49                | 3138.18               |                     |                    |                  |                    |                |
|       |       |                       | 28816.11                 | 29927.04               | 31015.30            | 32103.55            | 33259.82                             | 34348.08          | 35436.34       | 36569.94               | 37658.19              |                     |                    |                  |                    |                |
|       |       |                       | 14,279.0                 | 14,834.9               | 15,369.0            | 15,924.9            | 16,469.9                             | 17,004.0          | 17,559.9       | 18,094.0               | 18,628.1              |                     |                    |                  |                    |                |
| B-2-2 |       | N                     | 1142.32                  | 1186.79                | 1229.52             | 1273.99             | 1317.59                              | 1360.32           | 1404.79        | 1447.52                | 1490.25               |                     |                    |                  |                    |                |
|       |       |                       | 2475.03                  | 2571.38                | 2663.96             | 2760.32             | 2854.78                              | 2947.36           | 3043.72        | 3136.29                | 3228.87               |                     |                    |                  |                    |                |
|       |       |                       | 29700.32                 | 30856.59               | 31967.52            | 33123.79            | 34257.39                             | 35368.32          | 36524.59       | 37635.52               | 38746.45              |                     |                    |                  |                    |                |
|       |       | 10600                 | 10634                    | 10601                  | 10602               | 10627               | 10625                                | 10607             | 10632          | 10635                  | 10626                 | 10615               | 10610              | 10609            | 10630              | 10614          |
|       |       | N                     | N                        | N                      | N                   | N                   | N                                    | N                 | N              | N                      | N                     | N                   | N                  | N                | N                  | N              |
|       |       | Account Clerk II      | Airport Service Worker I | Animal Control Officer | BN Maint/Equip Oper | Engineering Tech II | Env Svcs Equip Oper II - Residential | Equipment Oper II | GIS Technician | IT Services Specialist | Landfill Equip Oper I | Landfill Maint Oper | Maintenance Wkr II | Materials Tech I | Rec Coordinator II | Service Writer |
|       |       | 19,194.9              | 19,718.1                 | 19,194.9               | 18,628.1            | 18,094.0            | 17,559.9                             | 17,004.0          | 16,469.9       | 15,924.9               | 15,369.0              | 14,834.9            | 14,279.0           | 13,717.6         | 13,199.9           | 12,677.6       |
|       |       | 18,628.1              | 19,118.6                 | 18,628.1               | 18,104.9            | 17,581.7            | 17,036.7                             | 16,513.5          | 16,099.3       | 15,990.3               | 15,434.4              | 14,911.2            | 14,388.0           | 13,853.9         | 13,341.2           | 12,817.6       |
|       |       | 1577.45               | 1577.45                  | 1577.45                | 1577.45             | 1577.45             | 1577.45                              | 1577.45           | 1577.45        | 1577.45                | 1577.45               | 1577.45             | 1577.45            | 1577.45          | 1577.45            | 1577.45        |
|       |       | 3328.87               | 3328.87                  | 3328.87                | 3328.87             | 3328.87             | 3328.87                              | 3328.87           | 3328.87        | 3328.87                | 3328.87               | 3328.87             | 3328.87            | 3328.87          | 3328.87            | 3328.87        |
|       |       | 39766.69              | 39766.69                 | 39766.69               | 39766.69            | 39766.69            | 39766.69                             | 39766.69          | 39766.69       | 39766.69               | 39766.69              | 39766.69            | 39766.69           | 39766.69         | 39766.69           | 39766.69       |
|       |       | 19,718.1              | 19,718.1                 | 19,718.1               | 19,718.1            | 19,718.1            | 19,718.1                             | 19,718.1          | 19,718.1       | 19,718.1               | 19,718.1              | 19,718.1            | 19,718.1           | 19,718.1         | 19,718.1           | 19,718.1       |
|       |       | 1535.59               | 1535.59                  | 1535.59                | 1535.59             | 1535.59             | 1535.59                              | 1535.59           | 1535.59        | 1535.59                | 1535.59               | 1535.59             | 1535.59            | 1535.59          | 1535.59            | 1535.59        |
|       |       | 3327.12               | 3327.12                  | 3327.12                | 3327.12             | 3327.12             | 3327.12                              | 3327.12           | 3327.12        | 3327.12                | 3327.12               | 3327.12             | 3327.12            | 3327.12          | 3327.12            | 3327.12        |
|       |       | 39925.39              | 39925.39                 | 39925.39               | 39925.39            | 39925.39            | 39925.39                             | 39925.39          | 39925.39       | 39925.39               | 39925.39              | 39925.39            | 39925.39           | 39925.39         | 39925.39           | 39925.39       |
|       |       | 41013.65              | 41013.65                 | 41013.65               | 41013.65            | 41013.65            | 41013.65                             | 41013.65          | 41013.65       | 41013.65               | 41013.65              | 41013.65            | 41013.65           | 41013.65         | 41013.65           | 41013.65       |



2006-2007 City of Flagstaff Pay Plan  
2080 Hours

| Range       | Pos #                          | Position Title                     | Mid 5-11 Mid 12+              |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|-------------|--------------------------------|------------------------------------|-------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|---------|---------|---------|--|
|             |                                |                                    | Min                           | Step 1   | Step 2   | Step 3   | Step 4   | Step 5   | Step 6   | Step 7   | Step 8   | Step 9   | Step 10  | Step 11 | Step 12 | Step 13 |  |
| 9<br>B-2-5  | 10909                          | N Accountant I                     | 19,437                        | 20,179   | 20,917   | 21,662   | 22,410   | 23,156   | 23,892   | 24,649   | 25,386   | 26,164   | 26,814   |         |         |         |  |
|             | 10911                          | N Associate Planner                | 1554.78                       | 1614.07  | 1673.37  | 1733.54  | 1792.83  | 1852.13  | 1911.42  | 1971.59  | 2030.89  | 2089.31  | 2145.12  |         |         |         |  |
|             | 10937                          | N Brownfield Specialist            | 3368.68                       | 3497.16  | 3625.63  | 3755.99  | 3884.47  | 4012.94  | 4141.42  | 4271.78  | 4400.26  | 4526.84  | 4647.76  |         |         |         |  |
|             | 10939                          | N Community Firewise Coordinator   | 40424.18                      | 41965.87 | 43507.57 | 45071.94 | 46613.63 | 48155.33 | 49697.02 | 51261.39 | 52803.09 | 54322.11 | 55773.12 |         |         |         |  |
|             | 10931                          | N Contract Specialist              |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 10923                          | N Court Training Specialist        |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 10920                          | N Database Analyst II (Series)     |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 10936                          | N Environmental Program Specialist |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 10907                          | N Fire Inspector II                |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 10924                          | N Fuel Management Leadworker       |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 10941                          | N HR Benefits Specialist           |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 10925                          | N HR Recruitment Specialist        |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 10900                          | N Inspector II                     |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 10942                          | N Insurance Claims Specialist      |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 10938                          | N Landfill/EOH/Leadworker          |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 10934                          | N Network Administrator            |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
| 10915       | N Police Emerg Comm Spec Ldwkr |                                    |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
| 10903       | N Police Officer               |                                    |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
| 10914       | N Police Records Leadworker    |                                    |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
| 10933       | N Safety/Risk Mgr Specialist   |                                    |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
| 10918       | N Senior Buyer                 |                                    |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
| 10943       | N Software Specialist          |                                    |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
| 10929       | N Traffic Signal Technician    |                                    |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
| 10916       | N Warrants Officer             |                                    |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
| 109         | 20903                          | E Librarian                        | 19,437                        | 20,179   | 20,917   | 21,662   | 22,410   | 23,156   | 23,892   | 24,649   | 25,386   | 26,164   | 26,814   |         |         |         |  |
|             |                                |                                    | 1554.78                       | 1614.07  | 1673.37  | 1733.54  | 1792.83  | 1852.13  | 1911.42  | 1971.59  | 2030.89  | 2089.31  | 2145.12  |         |         |         |  |
|             |                                |                                    | 3368.68                       | 3497.16  | 3625.63  | 3755.99  | 3884.47  | 4012.94  | 4141.42  | 4271.78  | 4400.26  | 4526.84  | 4647.76  |         |         |         |  |
| 10<br>B-2-6 | 11015                          | N Building Plans Examiner          | 20,350                        | 21,124   | 21,919   | 22,693   | 23,478   | 24,252   | 25,026   | 25,812   | 26,585   | 27,388   | 28,078   |         |         |         |  |
|             | 11014                          | N Payroll Supervisor               | 1628.02                       | 1689.94  | 1753.59  | 1815.50  | 1878.29  | 1940.20  | 2002.11  | 2064.90  | 2126.81  | 2190.46  | 2246.27  |         |         |         |  |
|             |                                |                                    | 3527.39                       | 3661.53  | 3799.45  | 4069.62  | 4203.77  | 4337.91  | 4473.94  | 4608.08  | 4746.01  | 4866.92  | 4986.92  |         |         |         |  |
|             |                                |                                    | 42328.62                      | 43938.34 | 45593.39 | 47203.10 | 48835.49 | 50445.20 | 52054.91 | 53687.30 | 55297.01 | 56952.06 | 58403.07 |         |         |         |  |
|             | 11011                          | N Airport Operations Supervisor    | 20,350                        | 21,124   | 21,919   | 22,693   | 23,478   | 24,252   | 25,026   | 25,812   | 26,585   | 27,388   | 28,078   |         |         |         |  |
|             | 11003                          | N Equip Oper III Ldwkr             | 1628.02                       | 1689.94  | 1753.59  | 1815.50  | 1878.29  | 1940.20  | 2002.11  | 2064.90  | 2126.81  | 2190.46  | 2246.27  |         |         |         |  |
|             | 11012                          | N Env Svcs Collection Superviso    | 3527.39                       | 3661.53  | 3799.45  | 4069.62  | 4203.77  | 4337.91  | 4473.94  | 4608.08  | 4746.01  | 4866.92  | 4986.92  |         |         |         |  |
|             | 11013                          | N IT Services Supervisor           | 42328.62                      | 43938.34 | 45593.39 | 47203.10 | 48835.49 | 50445.20 | 52054.91 | 53687.30 | 55297.01 | 56952.06 | 58403.07 |         |         |         |  |
|             | 11002                          | N Ldwkr/Training Coord             |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 11004                          | N Maint Worker III Ldwkr           |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 11008                          | N Materials Tech II                |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 11010                          | N Water Treat/Prod Chf Op          |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
|             | 110                            | 21002                              | E Library Supervisor          | 20,186   | 20,906   | 21,626   | 22,346   | 23,066   | 23,786   | 24,506   | 25,226   | 25,946   | 26,666   | 27,386  |         |         |  |
|             |                                |                                    |                               | 1614.94  | 1686.94  | 1758.94  | 1830.94  | 1902.94  | 1974.94  | 2046.94  | 2118.94  | 2190.94  | 2262.94  | 2334.94 |         |         |  |
|             |                                |                                    |                               | 3499.05  | 3611.05  | 3723.05  | 3835.05  | 3947.05  | 4059.05  | 4171.05  | 4283.05  | 4395.05  | 4507.05  | 4619.05 |         |         |  |
|             | 11<br>B-3-2                    | 11105                              | N Assistant Fire Fuel Manager | 22,497   | 23,347   | 24,197   | 25,047   | 25,897   | 26,747   | 27,597   | 28,447   | 29,297   | 30,147   | 31,000  |         |         |  |
| 11100       |                                | N Police Corporal/Detective        | 1799.81                       | 1867.82  | 1935.83  | 2003.84  | 2071.85  | 2139.86  | 2207.87  | 2275.88  | 2343.89  | 2411.90  | 2479.91  |         |         |         |  |
| 11101       |                                | N Fleet Supervisor                 | 3899.58                       | 4046.95  | 4194.32  | 4341.69  | 4489.06  | 4636.43  | 4783.80  | 4931.17  | 5078.54  | 5225.91  | 5373.28  |         |         |         |  |
| 11104       |                                | N Inspection Supervisor            | 46795.01                      | 48563.42 | 50331.83 | 52100.24 | 53868.65 | 55637.06 | 57405.47 | 59173.88 | 60942.29 | 62710.70 | 64479.11 |         |         |         |  |
| 11107       |                                | N Plans Examiner Supervisor        |                               |          |          |          |          |          |          |          |          |          |          |         |         |         |  |
| 21108       |                                | E Police Spec Services Supervisor  | 22,170                        | 22,900   | 23,630   | 24,360   | 25,090   | 25,820   | 26,550   | 27,280   | 28,010   | 28,740   | 29,470   |         |         |         |  |
| 111         | 21107                          | E Visitor Center Supervisor        | 1770.16                       | 1835.35  | 1900.54  | 1965.73  | 2030.92  | 2096.11  | 2161.30  | 2226.49  | 2291.68  | 2356.87  | 2422.06  |         |         |         |  |
|             |                                |                                    | 3835.35                       | 4011.70  | 4188.05  | 4364.40  | 4540.75  | 4717.10  | 4893.45  | 5069.80  | 5246.15  | 5422.50  | 5598.85  |         |         |         |  |
|             |                                |                                    | 46024.16                      | 47888.51 | 49752.86 | 51617.21 | 53481.56 | 55345.91 | 57210.26 | 59074.61 | 60939.06 | 62803.41 | 64667.76 |         |         |         |  |

2006-2007 City of Flagstaff Pay Plan  
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| Range | Pos #                           | Position Title                     | Min      | Mid 1-4 Mid 5-11 Mid 12+ |          |          |          |          |          |          |          |          |          |          |          |          |
|-------|---------------------------------|------------------------------------|----------|--------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
|       |                                 |                                    |          | Step 1                   | Step 2   | Step 3   | Step 4   | Step 5   | Step 6   | Step 7   | Step 8   | Step 9   | Step 10  | Step 11  | Step 12  | Step 13  |
| C-4-1 | N                               |                                    | 23,4132  | 24,2198                  | 25,0155  | 25,8221  | 26,6287  | 27,4353  | 28,2310  | 29,0376  | 29,8442  | 30,6508  | 31,4465  | 32,2531  | 32,9943  |          |
|       | E                               | Accountant II                      | 1873.06  | 1937.58                  | 2001.24  | 2065.77  | 2130.30  | 2194.82  | 2258.48  | 2323.01  | 2387.54  | 2452.06  | 2515.72  | 2580.25  | 2639.54  |          |
|       | E                               | Auditor II                         | 4058.29  | 4198.10                  | 4336.02  | 4475.83  | 4615.64  | 4755.45  | 4893.37  | 5033.18  | 5172.99  | 5312.81  | 5450.73  | 5590.54  | 5719.01  |          |
|       | E                               | Conservation Manager               | 4869.46  | 5037.18                  | 5203.24  | 5370.97  | 5538.70  | 5706.42  | 5874.15  | 6039.21  | 6207.94  | 6375.66  | 6540.82  | 6708.45  | 6862.14  |          |
|       | E                               | Database Analyst III               | 23,1080  | 23,8146                  | 24,5212  | 25,2278  | 25,9344  | 26,6410  | 27,3476  | 28,0542  | 28,7608  | 29,4674  | 30,1740  | 30,8806  | 31,5872  | 32,2938  |
|       | E                               | Deputy Court Administrator         | 1848.64  | 1913.16                  | 1977.68  | 2042.20  | 2106.72  | 2171.24  | 2235.76  | 2300.28  | 2364.80  | 2429.32  | 2493.84  | 2558.36  | 2622.88  | 2687.40  |
|       | E                               | Development Case Manager I         | 4005.39  | 4170.91                  | 4336.43  | 4501.95  | 4667.47  | 4832.99  | 4998.51  | 5164.03  | 5329.55  | 5495.07  | 5660.59  | 5826.11  | 5991.63  | 6157.15  |
|       | E                               | Engineering Project Manager I      | 4806.64  | 4982.26                  | 5157.88  | 5333.50  | 5509.12  | 5684.74  | 5860.36  | 6035.98  | 6211.60  | 6387.22  | 6562.84  | 6738.46  | 6914.08  | 7089.70  |
|       | E                               | Environ Project Specialisi         |          |                          |          |          |          |          |          |          |          |          |          |          |          |          |
|       | E                               | Environ Services Manager           |          |                          |          |          |          |          |          |          |          |          |          |          |          |          |
| I12   | E                               | GIS Systems Analyst                | 23,1080  | 23,8146                  | 24,5212  | 25,2278  | 25,9344  | 26,6410  | 27,3476  | 28,0542  | 28,7608  | 29,4674  | 30,1740  | 30,8806  | 31,5872  | 32,2938  |
|       | E                               | Housing and Grants Administrator   | 1848.64  | 1913.16                  | 1977.68  | 2042.20  | 2106.72  | 2171.24  | 2235.76  | 2300.28  | 2364.80  | 2429.32  | 2493.84  | 2558.36  | 2622.88  | 2687.40  |
|       | E                               | Human Resources Analyst            | 4005.39  | 4170.91                  | 4336.43  | 4501.95  | 4667.47  | 4832.99  | 4998.51  | 5164.03  | 5329.55  | 5495.07  | 5660.59  | 5826.11  | 5991.63  | 6157.15  |
|       | E                               | Industrial Waste Supv              | 4806.64  | 4982.26                  | 5157.88  | 5333.50  | 5509.12  | 5684.74  | 5860.36  | 6035.98  | 6211.60  | 6387.22  | 6562.84  | 6738.46  | 6914.08  | 7089.70  |
|       | E                               | Library Info Sys Coord             |          |                          |          |          |          |          |          |          |          |          |          |          |          |          |
|       | E                               | Library Manager                    |          |                          |          |          |          |          |          |          |          |          |          |          |          |          |
|       | E                               | Network Analyst II                 |          |                          |          |          |          |          |          |          |          |          |          |          |          |          |
|       | E                               | Parks Superintendent               |          |                          |          |          |          |          |          |          |          |          |          |          |          |          |
|       | E                               | Public Relations Manager           |          |                          |          |          |          |          |          |          |          |          |          |          |          |          |
|       | E                               | Recreation Superintendent          |          |                          |          |          |          |          |          |          |          |          |          |          |          |          |
| C-4-2 | E                               | Sales and Marketing Manager        | 21,246   | 21,952                   | 22,658   | 23,364   | 24,070   | 24,776   | 25,482   | 26,188   | 26,894   | 27,600   | 28,306   | 29,012   | 29,718   | 30,424   |
|       | E                               | Senior Network Administrator       | 2038.74  | 2107.62                  | 2177.38  | 2246.27  | 2316.90  | 2386.52  | 2456.15  | 2525.78  | 2595.41  | 2665.04  | 2734.67  | 2804.30  | 2873.93  | 2943.56  |
|       | E                               | Stormwater Services Analyst        | 4417.26  | 4566.52                  | 4717.67  | 4866.92  | 5019.96  | 5167.33  | 5318.47  | 5467.73  | 5620.77  | 5768.13  | 5919.28  | 6068.54  | 6227.24  | 6385.91  |
|       | E                               | Water Conservation Manager         | 5300.71  | 54798.22                 | 56611.98 | 58403.07 | 60239.50 | 62007.92 | 63821.68 | 65612.77 | 67449.20 | 69217.62 | 71031.38 | 72822.46 | 74726.91 | 76631.36 |
|       | E                               | Windows System Administrator       | 25,1572  | 25,8638                  | 26,5704  | 27,2770  | 27,9836  | 28,6902  | 29,3968  | 30,1034  | 30,8100  | 31,5166  | 32,2232  | 32,9298  | 33,6364  | 34,3430  |
|       | N                               | Police Sergeant                    | 2012.58  | 2102.58                  | 2177.38  | 2246.27  | 2316.90  | 2386.52  | 2456.15  | 2525.78  | 2595.41  | 2665.04  | 2734.67  | 2804.30  | 2873.93  | 2943.56  |
|       | E                               | Asst City Atty - Prosecutor        | 4360.58  | 4536.20                  | 4711.82  | 4887.44  | 5063.06  | 5238.68  | 5414.30  | 5589.92  | 5765.54  | 5941.16  | 6116.78  | 6292.40  | 6468.02  | 6643.64  |
|       | E                               | Building Inspection Section Mg     | 52326.98 | 54083.10                 | 55839.22 | 57595.34 | 59351.46 | 61107.58 | 62863.70 | 64619.82 | 66375.94 | 68132.06 | 69888.18 | 71644.30 | 73400.42 | 75156.54 |
|       | E                               | Client Service Administrator       |          |                          |          |          |          |          |          |          |          |          |          |          |          |          |
|       | E                               | City Clerk                         |          |                          |          |          |          |          |          |          |          |          |          |          |          |          |
| I13   | E                               | Construction Manager               | 21,330   | 22,036                   | 22,742   | 23,448   | 24,154   | 24,860   | 25,566   | 26,272   | 26,978   | 27,684   | 28,390   | 29,096   | 29,802   | 30,508   |
|       | E                               | Customer Service Manager           | 21,340   | 22,046                   | 22,752   | 23,458   | 24,164   | 24,870   | 25,576   | 26,282   | 26,988   | 27,694   | 28,400   | 29,106   | 29,812   | 30,518   |
|       | E                               | Development Case Manager II        | 21,320   | 22,026                   | 22,732   | 23,438   | 24,144   | 24,850   | 25,556   | 26,262   | 26,968   | 27,674   | 28,380   | 29,086   | 29,792   | 30,498   |
|       | E                               | Engineering Project Manager II     | 21,330   | 22,036                   | 22,742   | 23,448   | 24,154   | 24,860   | 25,566   | 26,272   | 26,978   | 27,684   | 28,390   | 29,096   | 29,802   | 30,508   |
|       | E                               | GIS Manager                        | 21,321   | 22,027                   | 22,733   | 23,439   | 24,145   | 24,851   | 25,557   | 26,263   | 26,969   | 27,675   | 28,381   | 29,087   | 29,793   | 30,499   |
|       | E                               | Grants Manager                     | 21,341   | 22,047                   | 22,753   | 23,459   | 24,165   | 24,871   | 25,577   | 26,283   | 26,989   | 27,695   | 28,401   | 29,107   | 29,813   | 30,519   |
|       | E                               | Housing Planner                    | 21,319   | 22,025                   | 22,731   | 23,437   | 24,143   | 24,849   | 25,555   | 26,261   | 26,967   | 27,673   | 28,379   | 29,085   | 29,791   | 30,497   |
|       | E                               | HR Manager                         | 21,335   | 22,041                   | 22,747   | 23,453   | 24,159   | 24,865   | 25,571   | 26,277   | 26,983   | 27,689   | 28,395   | 29,101   | 29,807   | 30,513   |
|       | E                               | Land Trust Manager                 | 21,333   | 22,039                   | 22,745   | 23,451   | 24,157   | 24,863   | 25,569   | 26,275   | 26,981   | 27,687   | 28,393   | 29,099   | 29,805   | 30,511   |
|       | E                               | Multi Modal Transportation Planner | 21,338   | 22,044                   | 22,750   | 23,456   | 24,162   | 24,868   | 25,574   | 26,280   | 26,986   | 27,692   | 28,398   | 29,104   | 29,810   | 30,516   |
| E     | Public Info Officer - Mgt. Asst | 21,324                             | 22,030   | 22,736                   | 23,442   | 24,148   | 24,854   | 25,560   | 26,266   | 26,972   | 27,678   | 28,384   | 29,090   | 29,796   | 30,502   |          |
| E     | Real Estate Manager             |                                    |          |                          |          |          |          |          |          |          |          |          |          |          |          |          |
| E     | Traffic Engineering Project Mgr |                                    |          |                          |          |          |          |          |          |          |          |          |          |          |          |          |

2006-2007 City of Flagstaff Pay Plan  
2080 Hours

| Range | Pos # | Position Title | Mid       |           |           |           |           |           |           |           |           |           |           |           |          |
|-------|-------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|
|       |       |                | Min       | Step 1    | Step 2    | Step 3    | Step 4    | Step 5    | Step 6    | Step 7    | Step 8    | Step 9    | Step 10   | Step 11   | Step 12  |
| C-4-3 | N     |                | 289940    | 299750    | 309669    | 319588    | 329507    | 339317    | 349345    | 359155    | 369074    | 378993    | 388912    | 398722    | 408750   |
|       |       |                | 2319.52   | 2398.00   | 2477.35   | 2556.70   | 2714.54   | 2794.76   | 2873.24   | 2952.59   | 3031.94   | 3111.30   | 3189.78   | 3270.00   | 3270.00  |
|       |       |                | 5025.63   | 5195.67   | 5367.60   | 5539.53   | 5711.45   | 5881.49   | 6055.31   | 6223.35   | 6397.38   | 6569.21   | 6741.14   | 6911.18   | 7085.00  |
|       |       |                | 60307.52  | 62348.00  | 64411.15  | 66474.30  | 68537.46  | 70577.94  | 72663.76  | 74704.24  | 76767.39  | 78830.54  | 80893.70  | 82934.18  | 85020.00 |
|       |       |                | 286125    | 288100    | 290075    | 292050    | 294025    | 296000    | 297975    | 299950    | 301925    | 303900    | 305875    | 307850    | 309825   |
|       |       |                | 2289.00   | 2389.00   | 2489.00   | 2589.00   | 2689.00   | 2789.00   | 2889.00   | 2989.00   | 3089.00   | 3189.00   | 3289.00   | 3389.00   | 3489.00  |
|       |       |                | 4959.50   | 5059.50   | 5159.50   | 5259.50   | 5359.50   | 5459.50   | 5559.50   | 5659.50   | 5759.50   | 5859.50   | 5959.50   | 6059.50   | 6159.50  |
|       |       |                | 59514.00  | 60514.00  | 61514.00  | 62514.00  | 63514.00  | 64514.00  | 65514.00  | 66514.00  | 67514.00  | 68514.00  | 69514.00  | 70514.00  | 71514.00 |
|       |       |                | 350490    | 350490    | 350490    | 350490    | 350490    | 350490    | 350490    | 350490    | 350490    | 350490    | 350490    | 350490    | 350490   |
|       |       |                | 2289.00   | 2289.00   | 2289.00   | 2289.00   | 2289.00   | 2289.00   | 2289.00   | 2289.00   | 2289.00   | 2289.00   | 2289.00   | 2289.00   | 2289.00  |
|       |       | 6075.15        | 6075.15   | 6075.15   | 6075.15   | 6075.15   | 6075.15   | 6075.15   | 6075.15   | 6075.15   | 6075.15   | 6075.15   | 6075.15   | 6075.15   |          |
|       |       | 72901.82       | 72901.82  | 72901.82  | 72901.82  | 72901.82  | 72901.82  | 72901.82  | 72901.82  | 72901.82  | 72901.82  | 72901.82  | 72901.82  | 72901.82  |          |
|       |       | 3318.83        | 3318.83   | 3318.83   | 3318.83   | 3318.83   | 3318.83   | 3318.83   | 3318.83   | 3318.83   | 3318.83   | 3318.83   | 3318.83   | 3318.83   |          |
|       |       | 7190.80        | 7190.80   | 7190.80   | 7190.80   | 7190.80   | 7190.80   | 7190.80   | 7190.80   | 7190.80   | 7190.80   | 7190.80   | 7190.80   | 7190.80   |          |
|       |       | 86289.63       | 86289.63  | 86289.63  | 86289.63  | 86289.63  | 86289.63  | 86289.63  | 86289.63  | 86289.63  | 86289.63  | 86289.63  | 86289.63  | 86289.63  |          |
|       |       | 395234         | 395234    | 395234    | 395234    | 395234    | 395234    | 395234    | 395234    | 395234    | 395234    | 395234    | 395234    | 395234    |          |
|       |       | 384443         | 384443    | 384443    | 384443    | 384443    | 384443    | 384443    | 384443    | 384443    | 384443    | 384443    | 384443    | 384443    |          |
|       |       | 3075.54        | 3075.54   | 3075.54   | 3075.54   | 3075.54   | 3075.54   | 3075.54   | 3075.54   | 3075.54   | 3075.54   | 3075.54   | 3075.54   | 3075.54   |          |
|       |       | 6663.68        | 6663.68   | 6663.68   | 6663.68   | 6663.68   | 6663.68   | 6663.68   | 6663.68   | 6663.68   | 6663.68   | 6663.68   | 6663.68   | 6663.68   |          |
|       |       | 77719.62       | 77719.62  | 77719.62  | 77719.62  | 77719.62  | 77719.62  | 77719.62  | 77719.62  | 77719.62  | 77719.62  | 77719.62  | 77719.62  | 77719.62  |          |
|       |       | 82208.67       | 82208.67  | 82208.67  | 82208.67  | 82208.67  | 82208.67  | 82208.67  | 82208.67  | 82208.67  | 82208.67  | 82208.67  | 82208.67  | 82208.67  |          |
|       |       | 84407.86       | 84407.86  | 84407.86  | 84407.86  | 84407.86  | 84407.86  | 84407.86  | 84407.86  | 84407.86  | 84407.86  | 84407.86  | 84407.86  | 84407.86  |          |
|       |       | 362262         | 362262    | 362262    | 362262    | 362262    | 362262    | 362262    | 362262    | 362262    | 362262    | 362262    | 362262    | 362262    |          |
|       |       | 2898.09        | 2898.09   | 2898.09   | 2898.09   | 2898.09   | 2898.09   | 2898.09   | 2898.09   | 2898.09   | 2898.09   | 2898.09   | 2898.09   | 2898.09   |          |
|       |       | 6279.20        | 6279.20   | 6279.20   | 6279.20   | 6279.20   | 6279.20   | 6279.20   | 6279.20   | 6279.20   | 6279.20   | 6279.20   | 6279.20   | 6279.20   |          |
|       |       | 75350.39       | 75350.39  | 75350.39  | 75350.39  | 75350.39  | 75350.39  | 75350.39  | 75350.39  | 75350.39  | 75350.39  | 75350.39  | 75350.39  | 75350.39  |          |
|       |       | 313048         | 313048    | 313048    | 313048    | 313048    | 313048    | 313048    | 313048    | 313048    | 313048    | 313048    | 313048    | 313048    |          |
|       |       | 2504.38        | 2504.38   | 2504.38   | 2504.38   | 2504.38   | 2504.38   | 2504.38   | 2504.38   | 2504.38   | 2504.38   | 2504.38   | 2504.38   | 2504.38   |          |
|       |       | 5426.17        | 5426.17   | 5426.17   | 5426.17   | 5426.17   | 5426.17   | 5426.17   | 5426.17   | 5426.17   | 5426.17   | 5426.17   | 5426.17   | 5426.17   |          |
|       |       | 65113.98       | 65113.98  | 65113.98  | 65113.98  | 65113.98  | 65113.98  | 65113.98  | 65113.98  | 65113.98  | 65113.98  | 65113.98  | 65113.98  | 65113.98  |          |
|       |       | 337464         | 337464    | 337464    | 337464    | 337464    | 337464    | 337464    | 337464    | 337464    | 337464    | 337464    | 337464    | 337464    |          |
|       |       | 2699.71        | 2699.71   | 2699.71   | 2699.71   | 2699.71   | 2699.71   | 2699.71   | 2699.71   | 2699.71   | 2699.71   | 2699.71   | 2699.71   | 2699.71   |          |
|       |       | 5849.38        | 5849.38   | 5849.38   | 5849.38   | 5849.38   | 5849.38   | 5849.38   | 5849.38   | 5849.38   | 5849.38   | 5849.38   | 5849.38   | 5849.38   |          |
|       |       | 70192.51       | 70192.51  | 70192.51  | 70192.51  | 70192.51  | 70192.51  | 70192.51  | 70192.51  | 70192.51  | 70192.51  | 70192.51  | 70192.51  | 70192.51  |          |
|       |       | 3389.03        | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   |          |
|       |       | 7342.90        | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   |          |
|       |       | 88114.73       | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  |          |
|       |       | 423629         | 423629    | 423629    | 423629    | 423629    | 423629    | 423629    | 423629    | 423629    | 423629    | 423629    | 423629    | 423629    |          |
|       |       | 3389.03        | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   | 3389.03   |          |
|       |       | 7342.90        | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   | 7342.90   |          |
|       |       | 88114.73       | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  | 88114.73  |          |
|       |       | 509793         | 509793    | 509793    | 509793    | 509793    | 509793    | 509793    | 509793    | 509793    | 509793    | 509793    | 509793    | 509793    |          |
|       |       | 4078.34        | 4078.34   | 4078.34   | 4078.34   | 4078.34   | 4078.34   | 4078.34   | 4078.34   | 4078.34   | 4078.34   | 4078.34   | 4078.34   | 4078.34   |          |
|       |       | 8836.41        | 8836.41   | 8836.41   | 8836.41   | 8836.41   | 8836.41   | 8836.41   | 8836.41   | 8836.41   | 8836.41   | 8836.41   | 8836.41   | 8836.41   |          |
|       |       | 106036.94      | 106036.94 | 106036.94 | 106036.94 | 106036.94 | 106036.94 | 106036.94 | 106036.94 | 106036.94 | 106036.94 | 106036.94 | 106036.94 | 106036.94 |          |



## 2006-2007 City of Flagstaff Pay Plan 2912 Hours

| Range     | Pos #   | Position Title | Mid 5-11 Mid 12+ |          |          |          |          |          |          |          |          |          |          |          |         |         |
|-----------|---------|----------------|------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|---------|---------|
|           |         |                | Min              | Step 1   | Step 2   | Step 3   | Step 4   | Step 5   | Step 6   | Step 7   | Step 8   | Step 9   | Step 10  | Step 11  | Step 12 | Step 13 |
| 8<br>208  | 10813 N | Firefighter    | 13,0956          | 13,5861  | 14,0843  | 14,5748  | 15,0732  | 15,5637  | 16,0619  | 16,5603  | 17,0508  | 17,5490  | 18,0707  |          |         |         |
|           |         |                | 14,6671          | 15,2164  | 15,7744  | 16,3238  | 16,8820  | 17,4313  | 17,9893  | 18,5475  | 19,0969  | 19,6549  | 20,2392  |          |         |         |
|           |         |                | 31,7787          | 32,9689  | 34,1779  | 35,3682  | 36,5776  | 37,7679  | 38,9769  | 40,1863  | 41,3766  | 42,5856  | 43,8516  |          |         |         |
| 9<br>209  | 10905 N | Fire Engineer  | 38,13439         | 39,56272 | 41,01348 | 42,44182 | 43,89316 | 45,32149 | 46,77225 | 48,22359 | 49,65193 | 51,10269 | 52,62188 |          |         |         |
|           |         |                | 13,8819          | 14,4113  | 14,9407  | 15,4780  | 16,0074  | 16,5368  | 17,0662  | 17,6035  | 18,1329  | 18,6546  | 19,1528  |          |         |         |
|           |         |                | 15,5477          | 16,1407  | 16,7336  | 17,3354  | 17,9283  | 18,5212  | 19,1141  | 19,7159  | 20,3088  | 20,8932  | 21,4511  |          |         |         |
| 13<br>213 | 11300 N | Fire Captain   | 33,6867          | 34,9714  | 36,2561  | 37,5599  | 38,8446  | 40,1293  | 41,4140  | 42,7178  | 44,0025  | 45,2685  | 46,4775  |          |         |         |
|           |         |                | 40,42409         | 41,96571 | 43,50732 | 45,07194 | 46,61355 | 48,15516 | 49,69677 | 51,26139 | 52,80300 | 54,32220 | 55,77295 |          |         |         |
|           |         |                | 18,2030          | 18,8181  | 19,4409  | 20,0360  | 20,6867  | 21,2939  | 21,9167  | 22,5318  | 23,1625  | 23,7697  | 24,3927  | 25,0078  | 25,6618 |         |
|           |         | 20,3874        | 21,0763          | 21,7738  | 22,4627  | 23,1691  | 23,8492  | 24,5467  | 25,2356  | 25,9420  | 26,6221  | 27,3198  | 28,0087  | 28,7412  |         |         |
|           |         | 44,1726        | 45,6653          | 47,1766  | 48,6692  | 50,1997  | 51,6732  | 53,1845  | 54,6772  | 56,2077  | 57,6811  | 59,1930  | 60,6856  | 62,2726  |         |         |
|           |         | 53,00714       | 54,79831         | 56,61190 | 58,40307 | 60,23967 | 62,00784 | 63,82143 | 65,61260 | 67,44920 | 69,21737 | 71,03154 | 72,82271 | 74,72716 |         |         |

## 2006-2007 City of Flagstaff Pay Plan 5% Add Pay

| Range      | Pos # | Position Title   | Mid 5-11 Mid 12+ |          |          |          |          |          |          |          |          |          |          |         |         |         |
|------------|-------|------------------|------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|---------|---------|---------|
|            |       |                  | Min              | Step 1   | Step 2   | Step 3   | Step 4   | Step 5   | Step 6   | Step 7   | Step 8   | Step 9   | Step 10  | Step 11 | Step 12 | Step 13 |
| 9<br>B-2-5 | 10905 | N Fire Engineer  | 14,5760          | 15,1319  | 15,6877  | 16,2519  | 16,8078  | 17,3636  | 17,9195  | 18,4837  | 19,0395  | 19,5873  | 20,1104  |         |         |         |
|            |       |                  | 1632.51          | 1694.77  | 1757.03  | 1820.22  | 1882.47  | 1944.73  | 2006.98  | 2070.17  | 2132.42  | 2193.79  | 2252.37  |         |         |         |
|            |       |                  | 3537.10          | 3672.00  | 3806.89  | 3943.79  | 4078.68  | 4213.58  | 4348.47  | 4485.37  | 4620.26  | 4753.19  | 4880.14  |         |         |         |
|            |       |                  | 42445.29         | 44064.00 | 45682.69 | 47325.54 | 48944.23 | 50562.92 | 52181.61 | 53824.46 | 55443.15 | 57038.31 | 58561.60 |         |         |         |
| 9<br>B-2-5 | 10903 | N Police Officer | 20,4064          | 21,1847  | 21,9630  | 22,7527  | 23,5309  | 24,3092  | 25,0874  | 25,8771  | 26,6554  | 27,4222  | 28,1547  |         |         |         |
|            |       |                  | 1632.52          | 1694.77  | 1757.04  | 1820.22  | 1882.47  | 1944.74  | 2006.99  | 2070.17  | 2132.43  | 2193.78  | 2252.38  |         |         |         |
|            |       |                  | 3537.11          | 3672.02  | 3806.91  | 3943.79  | 4078.69  | 4213.59  | 4348.49  | 4485.37  | 4620.27  | 4753.18  | 4880.15  |         |         |         |
|            |       |                  | 42445.39         | 44064.16 | 45682.95 | 47325.54 | 48944.31 | 50563.10 | 52181.87 | 53824.46 | 55443.24 | 57038.22 | 58561.78 |         |         |         |

## 2006-2007 City of Flagstaff Pay Plan Skill Based Pay

| Range | Pos #   | Position Title                  | 1 (LI#1) | 2 (LI#2) | 3 (LI#3) | 4 (LI#1) | 5 (LI#2) | 6 (LI#3) | 7 (Max)  |
|-------|---------|---------------------------------|----------|----------|----------|----------|----------|----------|----------|
| SBI   | 90101 N | MSW - Plant Technician          | 14,2790  | 15,7832  | 17,5817  | 19,3802  | 21,4839  | 23,8928  | 26,8140  |
|       | 90201 N | MSW - Water Services Technician | 1142.32  | 1262.66  | 1406.54  | 1550.42  | 1718.71  | 1911.42  | 2145.12  |
|       |         |                                 | 2475.03  | 2735.75  | 3047.49  | 3359.23  | 3723.88  | 4141.42  | 4647.76  |
|       |         |                                 | 29700.32 | 32829.06 | 36569.94 | 40310.82 | 44686.51 | 49697.02 | 55773.12 |

| Range | Pos #   | Position Title    | 1        | 2        | 3        | 4        | 5        | 6        | 7        |
|-------|---------|-------------------|----------|----------|----------|----------|----------|----------|----------|
| SBI   | 90301 N | MSW - Laboratory  | 14,2790  | 15,7832  | 17,5817  | 19,3802  | 21,4839  | 23,8928  | 26,8140  |
|       | 90401 N | MSW - Operations  | 1142.32  | 1262.66  | 1406.54  | 1550.42  | 1718.71  | 1911.42  | 2145.12  |
|       | 90501 N | MSW - Maintenance | 2475.03  | 2735.75  | 3047.49  | 3359.23  | 3723.88  | 4141.42  | 4647.76  |
|       |         |                   | 29700.32 | 32829.06 | 36569.94 | 40310.82 | 44686.51 | 49697.02 | 55773.12 |

**2006-2007 City of Flagstaff Pay Plan  
Broad Banding  
Administrative Assistant**

| Zone 1 |         |                 |          |          |          |          |          |          |          |          |          |
|--------|---------|-----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Band   | Pos #   | Position Title  | Step 1   | Step 2   | Step 3   | Step 4   | Step 5   | Step 6   | Step 7   | Step 8   | Step 9   |
| B11    | 80101 N | Admin Assistant | 10,5403  | 11,0635  | 11,5758  | 12,0990  | 12,6222  | 13,1345  | 13,6577  | 14,1809  | 14,6932  |
|        |         |                 | 843.22   | 885.08   | 926.06   | 967.92   | 1009.78  | 1050.76  | 1092.62  | 1134.47  | 1175.46  |
|        |         |                 | 1826.99  | 1917.67  | 2006.47  | 2097.16  | 2187.85  | 2276.65  | 2367.33  | 2458.02  | 2546.82  |
|        |         |                 | 21923.82 | 23012.08 | 24077.66 | 25165.92 | 26254.18 | 27319.76 | 28408.02 | 29496.27 | 30561.86 |

| Zone 2 |         |                 |          |          |          |          |          |          |          |          |          |
|--------|---------|-----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Band   | Pos #   | Position Title  | Step 4   | Step 5   | Step 6   | Step 7   | Step 8   | Step 9   | Step 10  | Step 11  | Step 12  |
| B12    | 80102 N | Admin Assistant | 12,0990  | 12,6222  | 13,1345  | 13,6577  | 14,1809  | 14,6932  | 15,2164  | 15,7287  | 16,2519  |
|        |         |                 | 967.92   | 1009.78  | 1050.76  | 1092.62  | 1134.47  | 1175.46  | 1217.31  | 1258.30  | 1300.15  |
|        |         |                 | 2097.16  | 2187.85  | 2276.65  | 2367.33  | 2458.02  | 2546.82  | 2637.51  | 2726.31  | 2817.00  |
|        |         |                 | 25165.92 | 26254.18 | 27319.76 | 28408.02 | 29496.27 | 30561.86 | 31650.11 | 32715.70 | 33803.95 |

| Zone 3 |         |                 |          |          |          |          |          |          |          |          |          |
|--------|---------|-----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Band   | Pos #   | Position Title  | Step 7   | Step 8   | Step 9   | Step 10  | Step 11  | Step 12  | Step 13  | Step 14  | Step 15  |
| B13    | 80103 N | Admin Assistant | 13,6577  | 14,1809  | 14,6932  | 15,2164  | 15,7287  | 16,2519  | 16,7751  | 17,2874  | 17,8106  |
|        |         |                 | 1092.62  | 1134.47  | 1175.46  | 1217.31  | 1258.30  | 1300.15  | 1342.01  | 1382.99  | 1424.85  |
|        |         |                 | 2367.33  | 2458.02  | 2546.82  | 2637.51  | 2726.31  | 2817.00  | 2907.68  | 2996.48  | 3087.17  |
|        |         |                 | 28408.02 | 29496.27 | 30561.86 | 31650.11 | 32715.70 | 33803.95 | 34892.21 | 35957.79 | 37046.05 |

**2006-2007 City of Flagstaff Pay Plan  
Broad Banding  
Administrative Specialist**

| Band | Pos # | Position Title     | Zone 1   |          |          |          |          |          |          |          |          |            |  |  |  |  |  |
|------|-------|--------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------|--|--|--|--|--|
|      |       |                    | Step 1   | Step 2   | Step 3   | Step 4   | Step 5   | Step 6   | Step 7   | Step 8   | Step 9   | [REDACTED] |  |  |  |  |  |
| B21  | 80201 | N Admin Specialist | 13,853.9 | 14,409.8 | 14,954.8 | 15,510.7 | 16,055.7 | 16,611.6 | 17,156.6 | 17,712.5 | 18,257.5 | [REDACTED] |  |  |  |  |  |
|      |       |                    | 1108.31  | 1152.78  | 1196.38  | 1240.86  | 1284.46  | 1328.93  | 1372.53  | 1417.00  | 1460.60  | [REDACTED] |  |  |  |  |  |
|      |       |                    | 2401.34  | 2497.70  | 2592.17  | 2688.52  | 2782.99  | 2879.34  | 2973.81  | 3070.17  | 3164.63  | [REDACTED] |  |  |  |  |  |
|      |       |                    | 28816.11 | 29972.38 | 31105.98 | 32262.26 | 33395.86 | 34552.13 | 35685.73 | 36842.00 | 37975.60 | [REDACTED] |  |  |  |  |  |

| Band | Pos # | Position Title     | Zone 2   |          |          |          |          |          |          |          |          |            |  |  |  |  |  |
|------|-------|--------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------|--|--|--|--|--|
|      |       |                    | Step 4   | Step 5   | Step 6   | Step 7   | Step 8   | Step 9   | Step 10  | Step 11  | Step 12  | [REDACTED] |  |  |  |  |  |
| B22  | 80202 | N Admin Specialist | 15,510.7 | 16,055.7 | 16,611.6 | 17,156.6 | 17,712.5 | 18,257.5 | 18,813.4 | 19,358.4 | 19,914.3 | [REDACTED] |  |  |  |  |  |
|      |       |                    | 1240.86  | 1284.46  | 1328.93  | 1372.53  | 1417.00  | 1460.60  | 1505.07  | 1548.67  | 1593.14  | [REDACTED] |  |  |  |  |  |
|      |       |                    | 2688.52  | 2782.99  | 2879.34  | 2973.81  | 3070.17  | 3164.63  | 3260.99  | 3355.46  | 3451.81  | [REDACTED] |  |  |  |  |  |
|      |       |                    | 32262.26 | 33395.86 | 34552.13 | 35685.73 | 36842.00 | 37975.60 | 39131.87 | 40265.47 | 41421.74 | [REDACTED] |  |  |  |  |  |

| Band | Pos # | Position Title     | Zone 3   |          |          |          |          |          |          |          |          |            |  |  |  |  |  |
|------|-------|--------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------|--|--|--|--|--|
|      |       |                    | Step 7   | Step 8   | Step 9   | Step 10  | Step 11  | Step 12  | Step 13  | Step 14  | Step 15  | [REDACTED] |  |  |  |  |  |
| B23  | 80203 | N Admin Specialist | 17,156.6 | 17,712.5 | 18,257.5 | 18,813.4 | 19,358.4 | 19,914.3 | 20,459.3 | 21,015.2 | 21,560.2 | [REDACTED] |  |  |  |  |  |
|      |       |                    | 1372.53  | 1417.00  | 1460.60  | 1505.07  | 1548.67  | 1593.14  | 1636.74  | 1681.22  | 1724.82  | [REDACTED] |  |  |  |  |  |
|      |       |                    | 2973.81  | 3070.17  | 3164.63  | 3260.99  | 3355.46  | 3451.81  | 3546.28  | 3642.63  | 3737.10  | [REDACTED] |  |  |  |  |  |
|      |       |                    | 35685.73 | 36842.00 | 37975.60 | 39131.87 | 40265.47 | 41421.74 | 42555.34 | 43711.62 | 44845.22 | [REDACTED] |  |  |  |  |  |

**2006-2007 City of Flagstaff Pay Plan  
Broad Banding  
Plant Specialist/Water Services Specialist**

| Band | Pos #   | Position Title       | Zone 1   |          |          |          |          |          |          |          |          |  |  |  |
|------|---------|----------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|--|--|--|
|      |         |                      | Step 1   | Step 2   | Step 3   | Step 4   | Step 5   | Step 6   | Step 7   | Step 8   | Step 9   |  |  |  |
| B31  | 80501 N | Inst/Electrical Spec | 19,434.7 | 20,263.1 | 21,091.5 | 21,919.9 | 22,759.2 | 23,587.6 | 24,416.0 | 25,244.4 | 26,072.8 |  |  |  |
|      | 80601 N | Maintenance Spec     | 1554.78  | 1621.05  | 1687.32  | 1753.59  | 1820.74  | 1887.01  | 1953.28  | 2019.55  | 2085.82  |  |  |  |
|      | 80701 N | Operations Spec      | 3368.68  | 3512.27  | 3655.86  | 3799.45  | 3944.93  | 4088.52  | 4232.11  | 4375.70  | 4519.29  |  |  |  |
|      | 80301 N | Plant Specialist     | 40424.18 | 42147.25 | 43870.32 | 45593.39 | 47339.14 | 49062.21 | 50785.28 | 52508.35 | 54231.42 |  |  |  |
|      | 80401 N | Water Services Spec  |          |          |          |          |          |          |          |          |          |  |  |  |

| Band | Pos #   | Position Title       | Zone 2   |          |          |          |          |          |          |          |          |  |  |  |
|------|---------|----------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|--|--|--|
|      |         |                      | Step 4   | Step 5   | Step 6   | Step 7   | Step 8   | Step 9   | Step 10  | Step 11  | Step 12  |  |  |  |
| B32  | 80502 N | Inst/Electrical Spec | 21,919.9 | 22,759.2 | 23,587.6 | 24,416.0 | 25,244.4 | 26,072.8 | 26,901.2 | 27,729.6 | 28,568.9 |  |  |  |
|      | 80602 N | Maintenance Spec     | 3799.45  | 3944.93  | 4088.52  | 4232.11  | 4375.70  | 4519.29  | 4662.87  | 4806.46  | 4951.94  |  |  |  |
|      | 80702 N | Operations Spec      | 45593.39 | 47339.14 | 49062.21 | 50785.28 | 52508.35 | 54231.42 | 55954.50 | 57677.57 | 59423.31 |  |  |  |
|      | 80302 N | Plant Specialist     | 45593.39 | 47339.14 | 49062.21 | 50785.28 | 52508.35 | 54231.42 | 55954.50 | 57677.57 | 59423.31 |  |  |  |
|      | 80402 N | Water Services Spec  |          |          |          |          |          |          |          |          |          |  |  |  |

| Band | Pos #   | Position Title       | Zone 3   |          |          |          |          |          |          |          |          |  |  |  |
|------|---------|----------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|--|--|--|
|      |         |                      | Step 7   | Step 8   | Step 9   | Step 10  | Step 11  | Step 12  | Step 13  | Step 14  | Step 15  |  |  |  |
| B33  | 80503 N | Inst/Electrical Spec | 24,416.0 | 25,244.4 | 26,072.8 | 26,901.2 | 27,729.6 | 28,568.9 | 29,397.3 | 30,225.7 | 31,054.1 |  |  |  |
|      | 80603 N | Maintenance Spec     | 1953.28  | 2019.55  | 2085.82  | 2152.10  | 2218.37  | 2285.51  | 2351.78  | 2418.06  | 2484.33  |  |  |  |
|      | 80703 N | Operations Spec      | 4232.11  | 4375.70  | 4519.29  | 4662.87  | 4806.46  | 4951.94  | 5095.53  | 5239.12  | 5382.71  |  |  |  |
|      | 80303 N | Plant Specialist     | 50785.28 | 52508.35 | 54231.42 | 55954.50 | 57677.57 | 59423.31 | 61146.38 | 62869.46 | 64592.53 |  |  |  |
|      | 80403 N | Water Services Spec  |          |          |          |          |          |          |          |          |          |  |  |  |

**RESOLUTION NO. 2006-51**

**A RESOLUTION FOR THE ADOPTION OF THE BUDGET FOR FISCAL YEAR 2006-2007; AND DECLARING AN EMERGENCY.**

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Articles 1 - 5, A.R.S., the City Council did, on June 20, 2006 make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property within the City of Flagstaff; and

WHEREAS, in accordance with said sections of said Title, and following due public notice, the Council met on June 20, 2006, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies; and

WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the City Council would meet on July 24, 2006, in the Council Chambers at City Hall for the purpose of hearing taxpayers and making tax levies as set forth in said estimates; and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in A.R.S. 42-17051 (A);

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:**

SECTION 1. That said estimates of revenues and expenditures shown on the accompanying schedules as now increased, reduced or changed be and the same are hereby adopted as the budget of the City of Flagstaff for Fiscal Year 2006-2007.

SECTION 2. Emergency Clause and Effective Date. The immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health, and safety of the City. Therefore, an emergency is hereby declared to exist, and this Resolution is enacted as an emergency measure and will be in full force and effect from and after its passage and adoption by the Council of the City, as required by law. This Resolution shall take effect on July 10, 2006.

PASSED AND ADOPTED by the City Council and approved by the Mayor of the City of Flagstaff this 10<sup>th</sup> day of July\_\_\_\_\_, 2006.

/s/ Joseph C. Donaldson  
MAYOR

ATTEST:

/s/ Margie Brown  
CITY CLERK

APPROVED AS TO FORM:

/s/ Patricia J. Boomsma  
CITY ATTORNEY

**ORDINANCE NO. 2006-20**

**AN ORDINANCE LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF FLAGSTAFF, ARIZONA, SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2007, AND DECLARING AN EMERGENCY.**

WHEREAS, by the provisions of State law, the ordinance levying taxes for fiscal year 2006-2007 is required to be finally adopted not later than the third Monday in August; and

WHEREAS, the County of Coconino is the assessing and collecting authority for the City of Flagstaff, the Clerk is hereby directed to transmit a certified copy of this ordinance to the County Assessor and the Board of Supervisors of the County of Coconino, Arizona;

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:**

SECTION 1. There is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal within the corporate limits of the City of Flagstaff, except such property as may be by law exempt from taxation, a primary property tax rate of 0.7563 for the fiscal year ending on the 30th day of June, 2007. If this tax rate exceeds the maximum levy allowed by law, the Board of Supervisors of the County of Coconino is hereby authorized to reduce the levy to the maximum allowable by law after providing notice to the City.

SECTION 2. In addition to the rate set in Section 1 hereof, there is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal within the corporate limits of the City of Flagstaff, except such property as may be by law exempt from taxation, a secondary property tax rate of .8366 for the fiscal year ending June 30, 2007.

SECTION 3. Failure by the county officials of Coconino County, Arizona, to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to timely perform any of the duties assigned to him or to them shall not invalidate any proceedings or any deed or sale pursuant thereto, the validity of the assessment or levy of taxes or of the judgement of sale by which the collection of the same may be enforced shall not affect the lien of the City of Flagstaff upon such property for the delinquent taxes unpaid thereon; overcharge as to part of the taxes or of costs shall not invalidate any proceedings for the collection of taxes or the foreclosure of the lien thereon or a sale of the property under such foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

SECTION 4. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION 5. Emergency Clause and Effective Date. The immediate operation of the provisions of this Ordinance is necessary for the preservation of the public peace, health and safety of the City. Therefore, an emergency is hereby declared to exist, and this Ordinance is enacted as an emergency measure and will be in full force and effect from and after its passage and adoption by the Council of the City, as required by law, and it is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona. The tax levies imposed by this Ordinance shall take effect July 24, 2006.

PASSED AND ADOPTED by the City Council and approved by the Mayor of the City of Flagstaff this 24<sup>th</sup> day of July, 2006

/s/ Joseph C. Donaldson  
MAYOR

ATTEST:  
/s/ Margie Brown  
CITY CLERK

APPROVED AS TO FORM:  
/s/ Patricia Boomsma  
CITY ATTORNEY

## Full-Cost Plan Summary of Allocation Basis

### Building Use:

City Hall-Gross square feet of assigned spaces.  
Coconino Warehouse-Gross square feet of assigned spaces.  
Single Use-Value of building utilized.

### Equipment Use:

General-Inventory value of assigned equipment.  
Computers-Inventory value of assigned equipment.  
Vehicles-Inventory value of assigned equipment.  
ND Computer-Number of personal computers supported.

### ND General Admin:

Personal-Number of permanent full-time equivalent positions served.  
Fiscal-Total expenses, capital at 10%, of units served.  
Consultants-Direct allocation to City Manager or GF-Other.  
Single Use-Actual expense by department.  
Other-Direct allocation to ND General Admin-Other.

### ND Employee Benefits:

Services-Personal services of units supervised or served.

### ND Insurance:

General Liability-Total expense less capital of units served.  
Auto Liability-Premium by department.  
Property Liability-Premium by department.  
Contractor Equipment-Premium calculation by item of equipment.  
Data Processing-Number of personal computers supported.  
Employee Related-Number of full time equivalent positions served.  
City Hall-Gross square feet of assigned space.  
City Liability-Total expense, capital at 10% of units served.  
Single Items-Actual cost per premium schedule.

### ND Consultants:

Audit & Fiscal-Total expenses of units served.  
Other Services-Direct allocation to ND Consultants-Other.

### Council & Commissions:

Council-Total expenses, capital at 10% of units served.  
Boards-Total expenses of units served.

### City Manager:

City Admin Personnel-Personal services of units supervised or served.  
City Admin Fiscal-Total expenses, capital at 10%, of units served.  
Deputy Personnel-Personal services of units supervised or served.

Deputy Fiscal-Total expenses, capital at 10%, of units served.

PIO-Personal services of units supervised or served.

### City Clerk:

Agenda Process-Total expenses, capital at 10%, of units served.  
Records Management-Number of boxes stored.  
Elections-Direct allocation to elections.  
Other Services-Total expenses, capital at 10%, of units served.

### City Attorney:

Civil Division-Total expenses, capital at 10%, of units served.  
Criminal & Other-Direct allocation to City Attorney-Other

### Human Resources:

Recruitment-Number of FTE's served, Fire & Police weighted.  
Training/Benefits-Number of permanent full-time equivalent positions served.

### Risk Management:

Safety-Number of full-time equivalent positions served.  
Claims-Total expenditures, capital at 10%, of units served.

### Management Services Admin:

Department Admin-Personal services of units supervised or served.

### Management Services Purchasing:

General Purchases-Number of encumbrances per division.  
Large Projects-Estimated effort expended on larger projects.  
Contract Admin-Expenditures of contract administered.

### Management Services Mail Services:

Services-Number of minutes processing mail.

### Management Services Warehouse:

Services-Cost of items issued through warehouse.

### Management Services Property Mgmt:

Services-Estimated effort spent on projects.

### Management Services Financial Services:

Services-Total expenses, capital at 10%, of units served.

### ND Copy Center:

Services-Actual copy center charges for twelve months.

### Information Systems:

General Support-Number of personal computers supported.  
GIS-Effort for departments supported.

**Finance:**

Accounting/Budget-Number of adjusting journal entries.  
Accounts Payable-Number of Accounts Payable transactions.  
Payroll-Number of payroll checks issued.  
Switchboard-Number of full-time equivalent positions served.  
Grants-Number of grants with Federal grants weighted at 1.5.

**Sales Tax & Licensing:**

Collections-Estimated level of effort provided by Collections.  
Accounts Receivable-Estimated level of effort provided by Accounts Receivable.  
Other-Direct allocation to General Fund-Other.

**Public Works Administration:**

Director-Estimated effort expended by Public Works Director.  
Secretary-Estimated effort expended by Public Works Director's Secretary.

**Public Facilities Maintenance:**

City Hall Custodial-Gross square feet of assigned space.  
Other Custodial-Number of restrooms maintained.  
Preventive Maintenance-Gross square footage of assigned space maintained.  
Special Maintenance-Planned hours spent on various projects.  
City Hall Maintenance-Gross square feet of assigned space.  
City Hall Utilities-Gross square feet of assigned space.  
Beaver Street Annex-Direct allocation to Other.  
Milligan House-Direct allocation to Tourism.

**Mechanical Shop:**

Services-Charges for services provided by Public Works Mechanical Shop.

**Customer Services:**

City Support-Total expenses, capital at 10%, of units served.  
Deposit Assistance-Number of cash receipts transactions processed.  
Enterprise-Budgeted revenue of Utilities, Environmental Services, and Stormwater.  
Field Reading-Direct allocation to Utilities.

**Community Development Admin:**

Departments Served-Personal services of units supervised or served.

**Engineering:**

Traffic Engineer-Direct allocation to Highway User Fund.  
General Fund Other-Percentage of hour spent on projects.  
Building Permit-Direct allocation to General Fund-Other.  
Other-Dollar value of permits fees.

**Planning:**

Planning Services-Total expenses, capital at 10%, of units served.  
Housing-Direct allocation to Planning-Other.

**Contributions:**

United Way-Total expenses by fund, less capital.  
Others-Direct allocation to Contributions

## **Council Goals**

The City of Flagstaff Council undertook a tremendous effort in FY 2002 to develop citywide goals. The goals are reviewed and updated annually at the Council Fall Retreat by staff and Council.

Cross-departmental teams identify specific objectives from the goals that develop work programs to set the base from which all divisions develop their FY 2007 budget. All divisions had to identify their objectives within one of the goal areas.

The following list highlights the ten major areas established by Council and the complete work plan ensues.

- **Economic Development /Redevelopment**
- **Fiscal Health**
- **Public Safety**
- **Affordable Housing**
- **Capital Improvements**
- **Customer Service**
- **Planning for Growth**
- **Collaboration**
- **Quality of Life**

**ECONOMIC DEVELOPMENT/REDEVELOPMENT**

| <p><b>GOAL STATEMENT:<br/>ECONOMIC<br/>DEVELOPMENT/<br/>REDEVELOPMENT</b></p>  | <p><b>FY 2007 AND FUTURE WORK PROGRAM STRATEGIES</b></p>  | <p><b>RESPONSIBILITY</b></p>       |
|--|---|------------------------------------|
| <p>Maintain and strengthen Flagstaff as the regional center for retail, employment, and hospitality while enhancing the quality of life for our residents.</p> | <p><b>Entrepreneurial Development</b><br/>Work with Northern Arizona Technology and Business Incubator to develop start-up technology businesses to provide higher paying jobs in the future.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Apply to EDA for grant for new incubator to be located on USGS Campus</li> <li>• Complete IGA with NACOG for EDA grant</li> <li>• Issue RFP for incubator operation</li> <li>• Receive award from EDA</li> </ul> <p>FY 2007</p> <ul style="list-style-type: none"> <li>• Complete IGA with NAU for referrals</li> <li>• Issue RFP for operation</li> <li>• Retain architect for Incubator</li> <li>• Retain contractor for construction</li> <li>• Begin construction</li> </ul> | <p><b>Community Investment</b></p> |
|  | <p><b>Strategy: Redevelopment Marketing</b></p> <p>Begin an aggressive marketing campaign in national trade magazines to raise awareness about the advantages of our community to potential developers, lenders, investors and tenants.</p> <p>A lifestyle theme will be used to appeal to specific retailers and corporations.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Ad campaign continues highlighting various projects in Shopping Centers Today and Urban Land.</li> <li>• Staff attended the annual International Shopping Center Conferences in Las Vegas and Palm Springs.</li> </ul> <p><b>FY 2007</b><br/>Same</p>  | <p><b>Community Investment</b></p> |

| <b>GOAL STATEMENT:<br/>ECONOMIC<br/>DEVELOPMENT/<br/>REDEVELOPMENT</b> | <b>FY 2007 AND FUTURE WORK PROGRAM STRATEGIES</b>  | <b>RESPONSIBILITY</b>              |
|--|--|------------------------------------|
|  | <p><b>Strategy: East Flagstaff Gateway Area</b></p> <p>Complete a Redevelopment Area Plan for this area that can serve as an anchor and gateway for the City. The plan will include stabilization and rebuilding of the existing industrial area into a more “park like” setting.</p> <p>The Mall expansion may include additional retail offerings, housing, and possibly an auto mall.</p> <p>All of this will strengthen the community’s tax base while serving as an economic engine for additional redevelopment in the area.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Mall expansion and Auto Park under construction</li> <li>• Space reservations for the entire Auto Park.</li> <li>• Finalizing tenant mix and final Auto Dealer layouts</li> </ul> <p><b>FY2007:</b></p> <ul style="list-style-type: none"> <li>• Working with the Auto Dealers/Manufacturers in cooperation with the CCC on a training facility</li> <li>• First phase of project opened by Fall 2007</li> </ul> | <p><b>Community Investment</b></p> |
|  | <p><b>Strategy: Sawmill</b></p> <p>Work with the developer to create plans for a mixed-use neighborhood center that may also include some regional business or headquarters.</p> <p>Project should serve as an anchor on Butler Avenue and eventual link and Gateway to the Southside and NAU.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Final zoning and development agreement approved</li> </ul> <p><b>FY2007:</b></p> <ul style="list-style-type: none"> <li>• Construction began</li> </ul>  | <p><b>Community Investment</b></p> |
|  | <p><b>Strategy: USGS</b></p> <p>Continue to address new employment base opportunities and fund campus Master Plan improvements.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• GSA approves expansion</li> <li>• Architect retained</li> </ul> <p><b>FY 2007</b></p> <ul style="list-style-type: none"> <li>• First phase of designed and bid</li> </ul>   | <p><b>Community Investment</b></p> |

| <b>GOAL STATEMENT:<br/>ECONOMIC<br/>DEVELOPMENT/<br/>REDEVELOPMENT</b> | <b>FY 2007 AND FUTURE WORK PROGRAM STRATEGIES</b>  | <b>RESPONSIBILITY</b> |
|--|--|-----------------------|
|  | <p><b>Strategy: GFEC</b></p> <p>CD is working with GFEC to incorporate strategies that normally would have been a part of the FY2006-07 Council goal strategies into GFEC's annual contract. The GFEC annual contract automatically renews each year. The City is currently in the 3<sup>rd</sup> of a 5 year contract.</p> <p>From this point forward, staff recommends to bring to Council for consideration an annual contract modification that has the year's scope of services and associated payment schedule. This will allow staff to administer the contract in a much more effective manner in that the City will be able to accurately track and monitor GFEC's progress and make associated quarterly payments based upon work performed.</p> |                       |

**FISCAL HEALTH**

| <b>GOAL STATEMENT<br/>FISCAL HEALTH</b>   | <b>FY 2007 AND FUTURE WORK PROGRAM STRATEGIES</b>   | <b>RESPONSIBILITY</b>              |
|---|---|------------------------------------|
| <p>The City of Flagstaff shall maintain good fiscal health through sound financial management and fiscal integrity. The City shall maintain written polices that provide for a balanced budget that meets the vast array of community needs, that ensure that resources are available to meet future need, allows for community infrastructure to be maintained at adequate levels and other sound financial practices.</p> <p>Discussion: The Council recognizes that the vision and intentions of the policy makers exceeds the economic realities. In order to accomplish the plans of shaping a Flagstaff that stays true to it's quality of life interests, the strategy must include the creation of community wealth through economic development, redevelopment, the creation of new revenues and the leveraging of financial assets.</p> | <p><b>Capital Improvements</b> – work with CIP to develop comprehensive plan of infrastructure needs</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Five year CIP published.</li> <li>• Mapped all projects</li> <li>• Completed database for division input and reporting</li> </ul>   | <p>CIP, PW, Finance, Utilities</p> |
|   | <p><b>Expenditure control</b> – consider development of incentives versus penalties relative to year-end expenditures.</p> <p><b>FY2006 Status Update: - Same for FY2006</b></p> <ul style="list-style-type: none"> <li>• Efforts to develop will be ongoing.</li> </ul>  | <p>Finance/Budget team</p>         |
|   | <p><b>Fee Policies</b> – Develop a policy of mandatory fee reviews including frequency and responsibility.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Policy completed</li> <li>• Policy yet to be reviewed by internal committee</li> </ul>  | <p>Finance</p>                     |
|   | <p><b>Work Smarter</b> –In an effort to reduce redundant work and paper work, explore electronic opportunities, i.e., online contracts, faxing of purchase orders.</p> <p><b>FY2006 Update:</b><br/>With new iSeries box, will reinstate ability to fax purchase orders. Online RFP's currently available. Laser printing is being implemented.<br/>Currently looking at Rec Trac, and Click 2 Gov.</p> | <p>EMT coordinating committee</p>  |
|   | <p><b>New Revenues</b> – Implement fee recommendations from 2002 user fee study.</p> <p><b>FY2006 Status Update:</b><br/>Cable franchise under negotiation<br/>Proposal from Community development to be considered by council</p>  | <p>Finance</p>                     |
|   | <p><b>Impact fees</b> – Implement impact fee recommendations as desired.</p> <p><b>FY2006 Status Update:</b><br/>The impact fee analysis is under contract for and update. The study should be completed by June 2006.</p>  | <p>Planning</p>                    |
| <p><b>Leverage grants</b> – Find grants for the city projects and programs.</p> <p><b>FY2006 Status Update</b><br/>The City budgeted \$17,756,771 for 67 grants for FY2006.</p>   | <p>Finance</p>  |                                    |

| GOAL STATEMENT<br>FISCAL HEALTH | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES  | RESPONSIBILITY                             |
|---------------------------------|---|--|
|                                 | <p><b>Stormwater Utility</b> – Finalize the policies and fee structure as presented to council in May 2005 budget.</p> <p><b>FY2006 Status Update:</b><br/>The Stormwater advisory committee and staff have presented a phased fee implementation to council for consideration. Council should take final action during March 2006, for a May implementation.</p>   | Engineering, Utilities, Finance            |
|                                 | <p><b>Cost allocation</b> – Implement new cost allocation methodology and start process of including overhead recovery in grants.</p> <p><b>FY2006 Status Update:</b><br/>Both the full cost and OMB A 87 cost plans are updated on an annual basis based on the previous years actual numbers as shown on the CAFR.</p>  | Finance                                    |
|                                 | <p><b>Public Private Partnerships</b> – look for ongoing opportunities to coordinate infrastructure development to meet the needs of both parties. – In process with NAU and reclaimed line construction on the campus</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Ongoing work with NAU for extension of reclaimed lines on the campus and financial participation on the construction of a conference center.</li> </ul>   | PW, Utilities, engineering, Administration |
|                                 | <p><b>Utilities Optimization program</b> - Continue implementation, a program designed to reduce job redundancy and incorporate better technology.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Implementation extended to appropriate divisions.</li> </ul>  | Utilities                                  |
|                                 | <p><b>ICMA benchmarking</b>- formalize budget and decision process to consider comparative data.</p> <p><b>FY2006 Status Update:</b><br/>ICMA Center for Performance Management data has been submitted through the fiscal year ended June 30, 2005. However, after careful consideration of the comparative data available through ICMA-CPM, the City is looking to turn its' efforts inward for FY2007. A staff member will work with each division to determine measures that are meaningful and will be tracked and reported on consistently over time.</p> | Budget team                                |

| GOAL STATEMENT<br>FISCAL HEALTH | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES   | RESPONSIBILITY              |
|---------------------------------|--|-----------------------------|
|                                 | <p><b>Credit Cards</b> – Implement the credit card program citywide to reduce cost of processing.</p> <p><b>FY2006 Status Update:</b><br/>Customer Service in City Hall is accepting credit cards for any City service. The Court, Police Department and Visitor Center also accept credit cards. The next step in credit card processing is to accept payments at additional remote locations. Software and hardware is currently being purchased by the Recreation Division as the next step in credit card acceptance/processing throughout the City.</p>   | Purchasing                  |
|                                 | <p><b>Bond Program</b> – based on an unfunded needs develop a bond program and financing alternatives for various city projects</p> <p><b>FY2006 Status Update:</b><br/>Work is underway to look at opportunities to finance replacement of city facilities, public works yard, city court, records storage, and additional office space to accommodate city staff.</p>  | Finance, CIP, PW,           |
|                                 | <p><b>Sales Tax</b> – remove the expiration clause on the City 1% Sales Tax to create revenue stability</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• This item has been placed on the May 2006 ballot.</li> <li>•</li> </ul>   | Finance                     |
|                                 | <p><b>Maintenance</b> -- Incorporate reduced maintenance as capital criteria</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• All capital projects continue to be reviewed to assess increased or reduced maintenance expenditures</li> </ul>  | CIP, PW, Utilities, Finance |
|                                 | <p><b>Investments</b> - Invest excess City fund and achieve a rate higher than the Arizona State Treasurer's Pool, current funds outside the pool earn 3.95% outside the fund, LGIP at 2.16%</p> <p><b>FY2005 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Approximately 18% of the City's funds are in the LGIP, realizing an average year to date return or 3.47%. The remaining 82% of the City's funds are invested in government backed securities and CD's with an average rate of return of 3.22%. The total return is averaging 3.27%, which is up from the average of 2.6% last year.</li> </ul> | Finance                     |
|                                 | <p><b>Software</b> -- Integrate software systems with the financial mainframe to the extent possible.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• The City software vendor performed a system wide review of use and capabilities. A report will be forthcoming shortly.</li> </ul>   | Courts, Recreation, Finance |

| GOAL STATEMENT<br>FISCAL HEALTH | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES  | RESPONSIBILITY           |
|---------------------------------|---|--------------------------|
|                                 | <p><b>Sustainability</b> -- Identify operational impacts of capital projects and other decisions to incorporate a sustainability analysis.</p> <p><b>FY2006 Status update:</b></p> <ul style="list-style-type: none"> <li>• Policy on new city buildings under review.</li> </ul>   | All departments, Finance |
|                                 | <p><b>Bond ratings</b> -- Maintain accounting standards and reporting to ensure good bond ratings.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Bond ratings maintained at A or A+ by Standard and Poor's</li> <li>• Bond ratings maintained at Aaa3 or A-1 by Moody's Investor Services</li> </ul>   | Finance.                 |
|                                 | <p><b>Tax base</b> – Consider policies that increase the tax base through annexation and redevelopment</p>  |                          |
|                                 | <p><b>BBB Tax</b> – extend the BBB tax beyond the current 2013 expiration</p> <p><b>FY2006 Status Update:</b><br/>In the fall retreat Council directed staff to form a task force to examine the tax for consideration by the public on the ballot in the general election of 2008.</p>   |                          |
|                                 | <p><b>Tax increase strategies</b> – Pursue strategies to fund current and/or future City services through:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Sales tax code</li> </ul> <p><b>FY2006 Status Update:</b><br/>Staff is preparing the code changes as directed by council in their fall retreat. These included the elimination of the land deduction, single unit rental of real property elimination,</p>         |                          |
|                                 | <p><b>Bond issues</b> – Time capital projects approved May 2004 so that bond issuances are timed resulting in no overall increase to the secondary property tax rate.</p> <p><b>FY2006 Status Update:</b><br/>Bonds will be sold in March 2006. The resulting debt service will not impact the 2007 rates and the City was able to reduce the secondary rate in 2006, transferring .05 to the primary rate and reducing the overall rate .05.</p> |                          |

**PUBLIC SAFETY**

| GOAL STATEMENT<br>PUBLIC SAFETY  | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES   | RESPONSIBILITY                      |
|--|--|-------------------------------------|
| <p>The goal is to promote and maintain a safe community through an integrated public safety system that addresses underlying issues affecting public safety, health and quality of life.</p> <p><b>Discussion:</b> The City Council recognizes that the role of public safety encompasses a broad array of interrelated activities. Public order and quality of life issues must be addressed on a broad front through a partnership of shared responsibility and trust between Police, Fire, other city departments, civic organizations and community. Community safety and well-being must be built from within each neighborhood and cannot be imposed from the outside. The integrated approach of using all available resources of private enterprise, government, civic organizations and neighborhoods, each accepting shared responsibility in the optimal use of public safety services that will result in an enhanced quality of life for the community.</p> | <p>Continue to improve upon the coordination and team approach of focusing Police, Fire, Planning &amp; Zoning, Environmental Management, Legal and Health Services to efficiently address safety and health needs.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• The Fire and IS departments have been working with County IS to enhance the interface between the CAD system and the Fire Department's Fire House Management software..</li> <li>• GroupWise accounts were established for remaining fire department program managers and key individuals. All fire personnel involved with managing programs or key projects have been issued GroupWise.</li> <li>• The Police and Fire joint communications committee met throughout the year to enhance emergency dispatch and technical operations of the 911 Center.</li> <li>• The Police and Fire Department as well as Environmental Management participated in several disaster exercises. Participants included members of all City departments as well as other governments agencies</li> <li>• The Police Department encouraged all City departments to participate in Block Watch forums to better enhance the partnership between City government and community members.</li> <li>• Police Department members have been asked to address officers at the squad level to coordinate City efforts.</li> </ul> | <p>All</p>                          |
|  | <p>Clean &amp; Green to continue the abandoned vehicle and litter control programs in partnership with block watch and neighborhood organizations.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Police participated with Clean and Green in numerous neighborhood clean-up projects and graffiti removal within budget restrictions, in conjunction with the Sunnyside, Southside &amp; Old Town neighborhoods.</li> <li>• Environmental Code Enforcement (Clean &amp; Green) continues to coordinate the abandoned vehicle and litter control programs in cooperation with Police.</li> </ul>  | <p>Clean &amp; Green<br/>Police</p> |

| GOAL STATEMENT<br>PUBLIC SAFETY | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES   | RESPONSIBILITY |
|---------------------------------|--|----------------|
|                                 | <p>Push decision-making down to the lowest competent level to increase efficiency. The City Manager’s office leads the effort to communicate with all the staff current issues facing the City.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• The Fire Department is using an internal fire station design team staffed with operational personnel to establish fire station design parameters.</li> <li>• The Fire Department fleet deployment provided input to the departments design team with regard to apparatus bay space needs for the new fire stations.</li> <li>• The Fire Department is participating in a Capital Improvement Chartering Team to increase communication effectiveness for the procurement and development of the fire stations approved under the May 2004 bond program.</li> <li>• Beat meetings attended by police officers &amp; supervisors where employees identify neighborhood issues and concerns and develop plans to solve problems. Development of Com-Stat Crime Analysis to identify criminal patterns and assist in developing strategies.</li> <li>• Police communication shift meetings are used as a conduit for in-service training and problem identification.</li> </ul> | All            |
|                                 | <p>Promote the PRIDE Block Watch Program as a forum for the promotion and nurturing of a partnership of shared responsibility and trust with Police, Fire, government and residents, to identify and address those issues that are adverse to public safety and quality of life.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Approximately 138 Block Watch meetings were held by the Police Department. Forty-eight Block Watch Groups participated.</li> <li>• Quarterly Block Watch Captains Meetings were held.</li> <li>• Two Citizen Police Academies were held, with approximately 80 people graduating.</li> <li>• Citizen police patrols have been formed and utilized in several neighborhoods.</li> </ul>  | All            |

| GOAL STATEMENT<br>PUBLIC SAFETY | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES  | RESPONSIBILITY                                    |
|---------------------------------|---|---|
|                                 | <p>Continue participation in after school programs as well as those during school hours that offer opportunities for education, mentoring and value building.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• The Fire Department Public Education clown program completed fire safety shows to 12 elementary schools.</li> <li>• The Dare and Great programs continue as the primary prevention programs in the public schools.</li> <li>• Police are in the process of developing a partnership with the YMCA in conducting after school and summer time programs.</li> <li>• Two summer camps were presented to Junior High Students through the GREAT Summer Camp Program.</li> <li>• “Adopt a School” program was initiated by the police, where each officer was assigned a school in his or her beat to devote special attention by conducting close patrols and working closing with staff and students.</li> <li>• Police have held regularly scheduled meetings with high and middle school administrators for the purpose of sharing information on potential gang activity.</li> <li>• Several gang and drug educational presentations were given to school teachers.</li> </ul> | <p>Police<br/>Fire<br/>Parks &amp; Recreation</p> |
|                                 | <p>Continue partnering of Police, Fire and Parks &amp; Recreation in joint ventures such as Teen Night, the Teen Leadership Academy, GREAT Camp, and other positive youth programs.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• The Police and Fire Department served on the Victims Witness DUI Impact Panel, sponsored by Coconino County.</li> <li>• GREAT CAMP, Jam Zones, Celebrate Youth Day, and National Night Out were examples of programs completed while with other City Departments.</li> </ul>   | <p>Parks &amp; Recreation<br/>Police<br/>Fire</p> |
|                                 | <p>Review Park security issues, as well as the impact of alcohol on Park Use and Permit Policies.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Parks are constantly monitored for violations and compliance.</li> <li>• Permits are scrutinized to ensure adequate security and compatibility.</li> <li>• Police in partnership with 4<sup>th</sup> St. merchants attempted to gain compliance from liquor stores in the Bushmaster Park area not to sale alcohol to public intoxicants.</li> <li>• Police have continued to participate in community efforts for development of a Detox Center.</li> </ul>  | <p>Police<br/>Parks &amp; Recreation<br/>Fire</p> |

| GOAL STATEMENT<br>PUBLIC SAFETY | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES   | RESPONSIBILITY |
|---------------------------------|--|----------------|
|                                 | <p>Continue participation in United Way partnerships such as the Sunnyside and Southside Neighborhood Associations, Success by Six, and Weed &amp; Seed, to address social issues and foster neighborhood responsibility</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Efforts are ongoing, police participation in many neighborhood based projects, such as “Wood for Warmth” community clean up projects, numerous celebration events, &amp; assisting in home restoration projects.</li> <li>• Police maintain representatives on the Weed &amp; Seed, Sunnyside and Southside Neighborhood Associations’ Boards.</li> </ul>   | All            |
|                                 | <p>Use every opportunity and community forum to educate residents of their responsibility to contribute to the well being of their neighborhood, community and country, by participating in the identification and resolution of those social and economic issues that adversely affect crime, the fear of crime, public health and overall quality of life.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• The Fire Department conducted approximately 541 wildfire safety home assessments in the Bow &amp; Arrow and University Heights neighborhoods.</li> <li>• The Police Department continues to offer an array of forums, or are willing participate in such, to communicate the Mission of the Department and of the City.</li> <li>• Homeland Security and related issues continue to be a priority of the Police and Fire Departments.</li> <li>• The Fire Department completed 2000 commercial occupancy inspections.</li> <li>• The Fire Department completed a citywide neighborhood wildfire threat assessment to educate property owners on how to create a Fire Wise neighborhood.</li> <li>• The Fire Department developed and displayed six movie promotional slides dealing with wildfire mitigation recommendations at area theaters.</li> <li>• The Fire Department will continue to pursue grants, contracts, and donations, and reimbursements to enhance public safety.</li> <li>• The Fuel Management Division of the Fire Department completed:               <ul style="list-style-type: none"> <li>• 1. Planning – 1006 Acres</li> <li>• 2. Thinning - 636 Acres</li> <li>• 3. RX Burns - 869 Acres</li> </ul> </li> <li>• The Fire Department tested and maintained 3000 City fire hydrants to insure operability and compliance with ISO standards.</li> <li>• The Fire Department completed annual pump testing on all apparatus with water pumping capability.</li> </ul> | All            |

| GOAL STATEMENT<br>PUBLIC SAFETY | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES  | RESPONSIBILITY   |
|---------------------------------|---|--|
|                                 | <p>Staff, train and equip City Public Safety to contend with the realized demand for service within the community.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• The Fire Department trained three (3) additional personnel as Technical Rescue Technicians.</li> <li>• Fire hired a new Community Fire Wise Coordinator to act as a neighborhood Liaison.</li> <li>• The Fire Department was notified of a Homeland Security Grant in the amount of \$940,000 to deploy a state Heavy Rescue Unit.</li> <li>• Five new police officer positions were secured through last year’s budget process. These officers are in the process of being trained and will be assigned to work during those times where calls for service are at their peak, in order to provide better service and reduce response times.</li> <li>• The Communication Center has made significant progress in recruitment and retention of staff.</li> </ul>  | <p>Fire<br/>Police</p>   |
|                                 | <p>Improve the City’s drainage conveyance system to mitigate the effects of stormwater flooding and to remove our citizens from the Regulatory Floodplain.</p> <ul style="list-style-type: none"> <li>• A database has been established to track and document flooding complaints received by city staff in order to identify potential drainage conveyance system upgrades.</li> <li>• Staff is conducting the comprehensive Stormwater Master Plan that will result in a prioritized Capital Improvement Program designed to mitigate flooding and remove our citizens from the Regulatory Floodplain.</li> <li>• The Stormwater Section also participates in the FEMA Flood Insurance Program, providing services to the community and making Flood Insurance available to the community.</li> <li>• The Stormwater Section provides services to new development in our community to insure that flooding will not occur throughout the development and insure that downstream impacts of stormwater runoff are mitigated.</li> </ul> <p>Compliance with the federally mandated Nation Pollutant Discharge Elimination System (NPDES) Program, comply with the requirements of the City’s NPDES Permit to improve stormwater quality in the community.</p> | <p>Community<br/>Improvements;<br/>Stormwater<br/>Management<br/>Section</p> |

| GOAL STATEMENT<br>PUBLIC SAFETY | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES   | RESPONSIBILITY |
|---------------------------------|--|----------------|
|                                 | <p>Adequately respond to realize demand for emergency services and prepare for the potential demands associated with disaster management.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• The Fire Department hosted a Special Operations deployment exercise in January 2006. The event showcased Special Operations apparatus, equipment, and teams with the State. The Flagstaff, Glendale, and Show Low Fire Departments participated in the deployment exercise along with area law enforcement.</li> <li>• A new City/County Emergency Operations plan was prepared and adopted.</li> <li>• The Emergency Operations Center (EOC) has been activated twice to conduct drills and staff training.</li> <li>• A 100% funded grant was obtained to develop a joint city-county hazardous mitigation plan. The contract has been finalized and a draft plan has been received for final review.</li> <li>• The Fire Department conducted a simulated high-rise fire drill with area partners and local law enforcement at NAU.</li> <li>• The Police and Fire Departments are working in concert with the Ponderosa Fire Advisory Council (PFAC) to develop a Wildland Fire Emergency Operation Plan for the Great Flagstaff area.</li> <li>• The Fire Department, as the lead agency within the PFAC, secured a Homeland Security Grant to purchase 30 programmable portable radios for use within the greater Flagstaff area on emergency incidents.</li> <li>• Police Officer's obtained personal protective equipment through a grant and additional training was conducted on homeland defense.</li> <li>• Police obtained a grant for \$162,000 for the purchase of a new truck for the Department's Bomb Disposal Team.</li> <li>• Joint disaster drill was conducted simulating a downed airliner.</li> </ul> <p>Police have partnered with the Sheriff's Office in the development and training of Community Emergency Response Teams (CERT). Approximately 200 citizens have been trained thus far, with quarterly meetings being held to insure graduates remain prepared to respond in event of an emergency.</p> | All            |

**AFFORDABLE HOUSING**

| <b>GOAL STATEMENT<br/>AFFORDABLE HOUSING</b>  | <b>FY 2007 AND FUTURE WORK PROGRAM STRATEGIES</b>   | <b>RESPONSIBILITY</b>                |
|---|---|--------------------------------------|
| <p>Maintain current data on housing market conditions, trends and issues. Ensure the full benefit of such data is available to the City and the general public for use in market studies, grant applications and petitions for national and state policy changes. Ensure housing plans remain current, accurate and in concert with all other City plans including the Regional Plan.</p> | <p>Write and obtain HUD approval of the 2006-2011 Consolidated Plan.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Submission deadline May 15, 2006.</li> </ul>  | <p>Community Investment Division</p> |
|   | <p>Maintain a close working/planning relationship with the new Arizona Department of Housing</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Efforts ongoing</li> </ul>  | <p>Community Investment Division</p> |
|   | <p>Update Affordable Housing Gap Analysis in Arizona Department of Housing Format.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Target completion for submittal of 2006-2011 Consolidated Plan in 2006</li> </ul>   | <p>Community Investment Division</p> |
|   | <p>Revise Sunnyside Neighborhood Revitalization Strategy per HUD direction to include more social service and economic development strategies and investigate new staff needs associated with a higher level of neighborhood services.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Worked with the Sunnyside Neighborhood Association to complete the Revitalization Strategy.</li> </ul> <p><b>FY 2007</b></p> <ul style="list-style-type: none"> <li>• Sunnyside Neighborhood Association adopted by City Council</li> </ul>   | <p>Community Investment Division</p> |
| <p>Develop policy recommendations to City Council for addressing identified affordable housing problems. Successfully Implement affordable housing policy as mandated by Council.</p>   | <p>Successfully implement the LDC based affordable housing incentive Ordinance (No. 2001-14)</p> <p>Through the Affordable Housing Policy Task Force, explore regulatory revisions and options. Present findings to City Council.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Rio Homes delivers first 10 units to families</li> <li>• Met with Arizona Multi Family Housing Association to explore opportunities</li> <li>• Housing Policy Task Force recommendations presented to City Council</li> </ul> <p><b>FY 2007</b></p> <ul style="list-style-type: none"> <li>• Worked with Code Administration section on rewriting of Land Development Code to promote workforce housing</li> </ul> | <p>Community Investment Division</p> |

| GOAL STATEMENT<br>AFFORDABLE HOUSING  | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES  | RESPONSIBILITY                       |
|---|---|--------------------------------------|
| <p>Maintain current knowledge of state of the art housing program and policy initiatives undertaken successfully by other jurisdictions. Develop new private for-profit and non-profit resources.</p> | <p>Through the formation of the Community Land Trust for Affordable Housing, incorporate successful strategies employed by existing land trusts.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Community Committees formed and input received on creation of Land Trust Program</li> <li>• Land Trust ground lease and program guidelines developed</li> <li>• First Land Trust Project land purchased on Fort Valley</li> </ul> <p><b>FY 2007</b></p> <ul style="list-style-type: none"> <li>• Issuance of SOQ/RFP for first Land Trust construction</li> </ul> | <p>Community Investment Division</p> |
|   | <p>Research successful housing initiatives conducted by municipalities with similar housing market conditions.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Successful programs from other cities being explored for feasibility with Fannie Mae</li> </ul> <p><b>FY 2007</b></p> <ul style="list-style-type: none"> <li>• Creation of employer assisted housing program</li> </ul>   | <p>Community Investment Division</p> |
|   | <p>Make City land available for affordable rental housing developments where appropriate.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Sandstone Highlands Senior Community received Certificate of Occupancy and Timber Trails Apartments located on previously City owned property awarded tax credits and under development</li> </ul> <p><b>FY 2007</b></p> <ul style="list-style-type: none"> <li>• Projects completed and occupied</li> </ul>   | <p>Community Investment Division</p> |
| <p>Significantly reduce the substandard housing stock</p>   | <p>Continue to fund and coordinate owner occupied housing rehabilitation programs</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• 5 emergency repairs and 3 minor rehabilitation completed</li> <li>• 5 emergency repairs and 3 minor repairs underway</li> <li>• Contract and funding for 14 emergency repair and 8 minor repair</li> </ul> <p><b>FY 2007</b></p> <ul style="list-style-type: none"> <li>• 14 emergency repairs and 8 minor repairs</li> </ul>  | <p>Community Investment Division</p> |
| <p>Increase the supply of entry level owner occupied homes available to low, moderate and middle income households</p>  | <p>Partner with both private and non-profit buildings to build entry level homes</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• 1 new single family unit completed</li> </ul>   | <p>Community Investment Division</p> |

| GOAL STATEMENT<br>AFFORDABLE HOUSING   | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES   | RESPONSIBILITY                |
|--|--|-------------------------------|
|  | <p>Coordinate partnerships with private developers to build residential and mixed use subdivisions on City owned with a variety of housing types and a minimum of 20% being entry level affordable</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Rio Homes construction underway</li> <li>• Sandstone Highlands Senior Community and Timber Trails Apartments located on previously City owned property awarded tax credits and under development</li> </ul>  | Community Investment Division |
| <p>Increase the amount of homeownership among low and moderate income households in Flagstaff</p>  | <p>Continue to fund and coordinate:</p> <ul style="list-style-type: none"> <li>• Non-profit homebuyers assistance programs providing education and loans for down payment and closing costs</li> <li>• Non-profit acquisition/rehabilitation programs converting vacant and renter occupied homes into home ownership</li> </ul> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Homebuyer assistance programs continue to assist Flagstaff residents with first time home ownership</li> <li>• Acquisition/rehabilitation project completed and sold</li> </ul> <p><b>FY 2007</b></p> <ul style="list-style-type: none"> <li>• Program begins equity sharing and brought in house</li> </ul> | Community Investment Division |
|  | <p>Use the sale proceeds from Ponderosa Homes and Rio Homes to purchase more property for affordable housing.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Property identification underway</li> <li>• Shultz Pass acquired</li> </ul> <p><b>FY 2007</b></p> <ul style="list-style-type: none"> <li>• Additional property acquired for development</li> </ul>  | Community Investment Division |
| <p>Incorporate affordable housing components in appropriate redevelopment projects using excellent design and maximizing the livability of area functions.</p> | <p>Incorporate a variety of housing types and affordability in the residential portion of redevelopment projects</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Efforts ongoing</li> </ul>   | Community Investment Division |

**CAPITAL IMPROVEMENTS**

| <b>GOAL STATEMENT<br/>CAPITAL IMPROVEMENTS</b>   | <b>FY 2007 AND FUTURE WORK PROGRAM STRATEGIES</b>  | <b>RESPONSIBILITY</b>   |
|--|--|---|
| <p>Plan, program, design and construct public works infrastructure and facilities improvements through a structured, efficient and transparent process ensuring scarce public resource expenditure for the greatest benefit to the community; creating a built environment shaped through citizen involvement and reflecting community pride.</p> <p><u>Discussion:</u> The City Council realizes the importance of delivering all Capital Improvement projects on time and on budget through a structured program ensuring public funds are leveraged, through partnerships when appropriate, for the greatest benefit of the community. Programmed capital infrastructure expenditures facilitate a planned growth, economic development and protect existing community investments. Allocating resources through a coordinated planning and</p> | <p><b>Plan:</b> Define each project's elements and costs through a holistic, concept-level engineering and planning effort, which engages our citizens.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Resumed the Capital Improvements Committee to identify and incorporate the planning necessary to accommodate the 2001 <i>Flagstaff Area</i> Regional Land Use and Transportation Plan.</li> <li>• Integrate Capital Improvements that will be constructed via Development Agreements.</li> <li>• USGS Science Park</li> <li>• Continued project prospectus/definition development</li> <li>• Steves Blvd. Rail Crossing Study.</li> </ul> <p><b>Program:</b> Provide clear information and rationale to match available revenues with prioritized projects funded through the adopted 5-Year Capital Improvements Program.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Assist with FUTS 5-year program definition and priority</li> <li>• Coordinate 5-year CIP Update for 2007 – 2011</li> <li>• Developed funding scenario for 2004 Bond Projects</li> <li>• Northern Arizona Technology &amp; Business Incubator (NATBI)</li> <li>• Butler Widening East of Little America</li> <li>• Completed Rio de Flag Flood Control upper reach open verses closed decision</li> </ul> | <p>CI Committee<br/>Capital Improvements<br/>Community Development<br/>Stormwater Mgmt<br/>Traffic Engr.<br/>Public Works<br/>Utilities<br/>FMPO</p> <p>Real Estate Mgmt<br/>Environmental Services</p> <p>Capital Improvements<br/>Financial Services<br/>FMPO<br/>Traffic Engr.<br/>Stormwater Mgmt<br/>Utilities<br/>CI Committee<br/>Budget Committee<br/>Citizens<br/>Transportation Advisory Committee<br/>Public Works<br/>Real Estate Mgmt<br/>Environmental Services<br/>Grants Mgr.</p> |

| GOAL STATEMENT<br>CAPITAL IMPROVEMENTS   | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES  | RESPONSIBILITY   |
|--|---|--|
| <p>engineering process with high levels of public involvement assures our community is shaped in alliance with citizen support. Partnerships with other public and private entities enhance our ability to leverage resources.</p> | <p><b>Design:</b> Develop project plans and specifications with continued involvement of the community and project partners.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Coordination of property acquisition with ADOT for the FUTS 180/Ft. Valley Trail project.</li> <li>• Initiated preliminary design and feasibility study for potential roadway improvement district at East Flagstaff Industrial Park.</li> <li>• West/Arrowhead corridor study completed.</li> <li>• Lone Tree Rd. corridor study substantially completed.</li> <li>• Fire station relocation design/build contracts awarded.</li> <li>• Aquatic/Multigenerational Center preliminary programming study completed. Design and CM at-risk contracts awarded.</li> <li>• Continued Rio de Flag project management services and coordinated public process to determine open or closed channel improvements, utility relocations, and property acquisition.</li> <li>• Talkington water main and Huntington Drive improvements contracted for design completion.</li> <li>• Continued development and design services administration for the West Route 66 urban trail project from West Village easterly to central downtown area including railroad under crossing and ped/bicycle bridge over Milton Ave.</li> <li>• Completed design of Fanning Wash improvements.</li> <li>• Completed rail crossing quiet zones study and contracted design services.</li> <li>• Completed the design of the paver replacement of the Visitors Center/BNSF Railroad.</li> <li>• Contracted design services for the FUTS Crescent to Observatory Mesa and Blue Willow to Hwy 180 projects.</li> <li>• Continued project management for the Lake Mary Road improvements.</li> <li>• Completed design services and contract documents for Thorpe Park Improvements.</li> <li>• Butler Ave/Fourth St. traffic signal design contracted and in progress.</li> </ul> <p>Completion of design services and contract documents for US 89 Streetscape.</p> | <p>Capital Improvements Funding Dept. Maintaining Department Community Development Contract Administration Real Estate Mgmt Environmental Services Grants Mgr.</p> |

| GOAL STATEMENT<br>CAPITAL IMPROVEMENTS | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES  | RESPONSIBILITY   |
|--|---|--|
|  | <p><b>Construct:</b> Deliver a final product that is cost effective with a quality of workmanship that ensures a lasting value for our citizens.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Fourth St Rail Crossing Phase II completed</li> <li>• Sunnyside neighborhood improvements PHIII-B completed.</li> <li>• Sixth Ave. detention/BMX Park project completed.</li> <li>• US 180/Ft. Valley Trails projects scheduled for completion in 2006.</li> <li>• Cedar Ave. urban trail bridge contracted for completion by June 2006.</li> <li>• Completed contract template for consultant services required for CM at-risk project delivery.</li> <li>• Continued project management for Thorpe Park improvements scheduled for construction in 2006.</li> <li>• Completed Arrowhead bus stop improvements.</li> <li>• Butler Ave Transmission Mains completed.</li> <li>• Empire Ave Extension construction &amp; R/W completed.</li> <li>• South Beaver Safe-to-School completed.</li> </ul> | <p>Capital Improvements Funding Department Inspection Services Purchasing Contracts Management Grants Mgr.</p>                   |
|  | <p><b>Public Involvement:</b> Engage citizens through meaningful public dialogue and involvement ensuring consideration of their input and providing a full understanding of project impacts.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Continued public forums and open house meetings.</li> <li>• Weekly reports provide on-going status of all CID projects</li> <li>• Capital Improvements web page updates</li> <li>• Public notice and media releases of traffic impacts</li> </ul>  | <p>Capital Improvements Funding Depts. Public Information Officer FMPO CTAC</p>  |
|  | <p><b>Process Improvements:</b> Continuous improvement of our internal process to ensure the most timely delivery of projects while ensuring compliance to all legal/policy requirements.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Prospectus document development</li> <li>• Schedule-based work program</li> <li>• Continuous monitoring of schedule and cost</li> <li>• Comprehensive 5-year CIP and annual updates</li> <li>• Thorough project scope development</li> <li>• Team chartering</li> <li>• Project Manager’s Manual</li> <li>• Internal project review process</li> <li>• Quarterly Project Financial Reports</li> <li>• Alternative project delivery methods</li> </ul>  | <p>Contracts Administration Capital Improvements Risk Management Attorney’s Office Purchasing Real Estate Mgmt Env. Services</p> |

**CUSTOMER SERVICE COMMITTEE**

| GOAL STATEMENT<br>CUSTOMER SERVICE<br>COMMITTEE  | FY 2007 AND FUTURE<br>WORK PROGRAM STRATEGIES   | RESPONSIBILITY                                     |
|--|---|--|
| <p>Continue to instill a positive customer service culture throughout the organization and with each employee of the City in the delivery of service both externally and internally.</p> <p><b>Discussion:</b> The City Council recognizes the importance of partnership with the citizens of our community, specifically in staff providing good customer service, while building positive working relationships with the community. The Customer Service Committee implements, revises, and/or reviews internal policies and practices to ensure, improve and strengthen customer service and relationships with the citizens.</p> | <p><b>Training:</b><br/>Continue to provide ongoing customer service training for all employees to ensure they understand and demonstrate good customer service and that they are aware they are always in the public eye.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>The Customer Service Committee continues to provide the “ART of Customer Service” training to all new employees on a quarterly basis since this is now mandatory training.</li> </ul> <p><b>FY 2007 Goals:</b></p> <ul style="list-style-type: none"> <li>The Customer Service Committee will determine other training needed to promote excellent customer service.</li> </ul>  | <p>Human Resources, Customer Service Committee</p> |
|  | <p><b>Employee Services:</b><br/>Provide information on HR services to current employees and applicants through the use of technology.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>All Human Resources forms were placed on the intranet.</li> <li>NAPEBT is developing a website that lists all the benefits for each entity. Both internal and external customers will be able to access this information.</li> </ul> <p><b>FY 2007 Goals:</b></p> <ul style="list-style-type: none"> <li>Place all City job descriptions on the City web site so that potential as well as current employees have access to these documents.</li> </ul>  | <p>Human Resources</p>                             |
|  | <p><b>Performance Evaluations:</b><br/>The current performance evaluation form now includes a section that addresses customer service. This holds supervisors and employees accountable for providing good customer service both externally and internally. Training has been provided to supervisors on an ongoing basis to ensure that employees are properly rated in this area.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>Provided one-on-one training with new supervisors regarding performance training.</li> </ul> <p><b>FY 2007 Goals:</b></p> <ul style="list-style-type: none"> <li>Due to the number of new managers and supervisors recently hired performance management training will be provided to address completing a thorough and informative performance evaluation and professional development.</li> </ul> | <p>Human Resources, Customer Service Committee</p> |

| GOAL STATEMENT<br>CUSTOMER SERVICE<br>COMMITTEE | FY 2007 AND FUTURE<br>WORK PROGRAM STRATEGIES   | RESPONSIBILITY   |
|---|---|--|
|   | <p><b>New Employee Orientation:</b><br/>Provide all new employees with an overview of expectations regarding customer service.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• A video was created to promote customer service and is shown to all new employees during new employee orientation.</li> <li>• The importance of wearing the nametag is emphasized during new employee orientation.</li> <li>• The “Supervisor’s New Employee Orientation Checklist” form was updated so that the supervisor, also, emphasizes to the new employee the importance of wearing his/her nametag.</li> </ul>  | Human Resources<br>Department Heads  |
|   | <p><b>Determine the “Climate” of the City:</b> Survey employees in order to get a base line regarding employee opinions on topics related to career opportunities, commitment, job satisfaction, pay and benefits, supervision, etc.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Focus groups from each department were created to address the results of the climate survey. Each group had to identify two or three areas that needed improvement and come up with recommendations.</li> </ul> <p><b>FY 2007 Goals:</b></p> <ul style="list-style-type: none"> <li>• Continue to address areas for improvement as identified by the climate survey.</li> <li>• Conduct a follow-up survey in 07-08 to measure effectiveness of changes made.</li> </ul> | Customer Service<br>Committee,<br>Public Relations                                 |
|   | <p><b>Recognition/Award Program:</b> Annually recognize annually employees who have provide outstanding customer service.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• The City Manager’s Excellence Award program and 7K award program was implemented this year and was positively received by all employees.</li> </ul> <p><b>FY 2007 Goals:</b></p> <ul style="list-style-type: none"> <li>• Provide new managers and supervisors information regarding the entire recognition/award program to include WOWs, QSIs as well as the City Manager’s Excellence Award program and the 7K award program.</li> </ul>   | Customer Service<br>Committee,<br>Human Resources,<br>Manager’s Award<br>Committee |

| GOAL STATEMENT<br>CUSTOMER SERVICE<br>COMMITTEE | FY 2007 AND FUTURE<br>WORK PROGRAM STRATEGIES  | RESPONSIBILITY  |
|---|--|---|
|   | <p><b>Annual Renewal Celebration:</b><br/>Celebrate each year to remind all employees of the importance of good customer service as well as highlighting accomplishments and successes related to good customer service.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Quarterly events were planned to let employees know they are valued. These were events such as the Halloween party, winter holiday celebration, the annual City Manager’s Excellence picnic, etc. have been incorporated into the Human Resources program.</li> </ul>   | Human Resources   |
|   | <p><b>Ethics:</b> Develop guidelines so that employees understand the importance of maintaining the highest standards of personal integrity, truthfulness, honesty, and fairness in carrying out their public duties.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• The Ethics Policy was not developed this year since the emphasis has been placed on addressing the results of the climate survey.</li> </ul> <p><b>FY 2007 Goals:</b></p> <ul style="list-style-type: none"> <li>• Develop an Ethics Policy so that employees understand the ethical standards of conduct so that they may fulfill their commitment to the community in providing the best service.</li> </ul> | Customer Service Committee,<br>City Manager,<br>Deputy City Managers,<br>Department Heads,<br>EAC |

**FUTURE GROWTH**

| <p><b>GOAL STATEMENT:<br/>PLANNING FOR<br/>GROWTH</b></p>  | <p><b>FY 2007 AND FUTURE WORK PROGRAM STRATEGIES</b></p>   | <p><b>RESPONSIBILITY</b></p>  |
|--|--|---|
| <p>To shape growth, with the involvement of the community, in a manner that preserves our region’s natural environment, livability and sense of community.</p> | <p><b>Regional Plan Policies—Neighborhood &amp; Area Planning:</b> Adhere to the policies in the Regional Plan that contain growth and promote the creation of quality traditional neighborhoods. Prepare area and/or master plans for various districts and neighborhoods to assist in implementing mixed-use developments, affordable housing, higher densities and walkable neighborhoods.</p> <p><b>Goals FY 2006:</b><br/>                     1. Completed Regional Plan Amendment for Villaggio Montana</p> <p><b>Goals FY 2007</b><br/>                     1. Complete two major plan amendments in reaction to developer submittals</p>  | <ul style="list-style-type: none"> <li>• Community Investment Division</li> </ul>   |
|  | <p><b>Identify &amp; Enhance Neighborhoods:</b> Through implementation of Design Review Guidelines and the development of a comprehensive Gateways program, identify and enhance neighborhoods and build a higher quality and more livable community.</p> <p><b>Goals FY 2006:</b><br/>                     1. Designed and constructed first community gateways to help promote, preserve and maintain the livability of our neighborhoods.<br/>                     2. New landscape standards created and adopted for City projects.</p> <p><b>Goals FY 2007</b><br/>                     1. Build second gateway<br/>                     2. Implement a Property Maintenance Ordinance.</p> | <ul style="list-style-type: none"> <li>• Community Investment Division</li> <li>• Community Improvements Division</li> <li>• Public Works</li> <li>• Parks</li> </ul> |

| GOAL STATEMENT:<br>PLANNING FOR<br>GROWTH | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES   | RESPONSIBILITY  |
|---|--|---|
|   | <p><b>Visual Quality of Community:</b> Enhance and improve the function and appearance of the community and continue to support local non-profits who strive to develop their outreach and build our community’s dynamic cultural base.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Acquisition of Public Art proposed to City Council for placement at CCC, Foxglenn Park and Airport</li> <li>• Public art is displayed at City Hall, Airport and Visitors Center</li> <li>• Repair of art work and reinstallation at Airport</li> </ul> <p><b>Goals FY 2007:</b></p> <ol style="list-style-type: none"> <li>1. Design Review administration ongoing.</li> <li>2. Continue to improve the visual quality of Flagstaff’s environment through a variety of enhancement projects.</li> <li>3. Flagstaff Cultural Partners is provided an operating budget and arts project budget to support a variety of public art projects throughout the community.</li> <li>4. Streetscape 5-year capital program budgeted and scheduled.</li> <li>5. Major public art piece planned to recognize community contributions by various parties.</li> </ol> | <ul style="list-style-type: none"> <li>• Community Investment Division</li> <li>• Community Improvements Division</li> <li>• Public Works</li> <li>• Development Services Division</li> </ul> |

| <p><b>GOAL STATEMENT:<br/>PLANNING FOR<br/>GROWTH</b></p>   | <p><b>FY 2007 AND FUTURE WORK PROGRAM STRATEGIES</b></p>   | <p><b>RESPONSIBILITY</b></p>   |
|---|--|--|
| <p>Continued growth pressures in Flagstaff require the need to better manage and control development.</p> <p>Addressing inefficient land use patterns.</p> <p>Flagstaff will continue to grow. The community's natural resources and its growing economy make it reasonable to believe that growth is an inexorable force. Consideration of how to shape it is the most productive way to harness the positives of growth and minimize the negatives. Clarity about what we want the community to become as it grows and proactive adoption of policies to guide it in that direction are the primary tools. Flagstaff residents have very strong views about the future of Flagstaff and must be consulted and engaged as partners in shaping that future.</p> | <p><b>Regional Plan Policies--Redevelopment:</b> Continue to use the Regional Plan as a decision-making guide to support reinvestment and redevelopment in the city's established areas.</p> <p><b>FY2006 Status Update:</b><br/>Reinvestment and redevelopment projects underway:</p> <ol style="list-style-type: none"> <li>1. Final East Gateway/Mall Expansion, including an Auto Park, approved by City Council</li> <li>2. Proposed Conference Center and Hotel at NAU approved with IGA with NAU</li> <li>3. USGS Science and Technology Park RFQ issued.</li> <li>4. USGS expansion approved by GSA</li> <li>5. FBI Building at Air Park under construction</li> </ol> <p><b>Furtherance of Goals FY2007:</b></p> <ol style="list-style-type: none"> <li>1. USGS Phase 1 Construction begun</li> <li>2. USGS Development Agreement with developer for Science &amp; Technology Park</li> </ol>                                     | <ul style="list-style-type: none"> <li>• Community Investment Division</li> <li>• Development Services Division</li> <li>• Planning &amp; Zoning Commission</li> <li>• City Council</li> </ul> |
|   | <p><b>Regional Plan Policies—Historic Properties:</b> Protect our historic properties and actively work to preserve historic sites so that future generations will better understand and appreciate our rich heritage.</p> <p><b>FY 2006 Status Update:</b></p> <ol style="list-style-type: none"> <li>1. Four historic preservation grants approved</li> <li>2. Worked on the preservation of the El Pueblo Motel</li> <li>3. Route 66 National Register Nomination prepared by the National Park Service</li> <li>4. Apply for State Historic Preservation Grant for \$10,000</li> </ol> <p><b>Goals FY2007:</b></p> <ol style="list-style-type: none"> <li>1. Implement Historic Preservation Program.</li> <li>2. Work on preservation of a number of areas including the Thorpe Park Neighborhood.</li> <li>3. Implement grant requirements</li> <li>4. Complete update survey of Southside for National Register Listing,</li> </ol> | <ul style="list-style-type: none"> <li>• Community Investment Division</li> </ul>  |

| GOAL STATEMENT:<br>PLANNING FOR<br>GROWTH | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES  | RESPONSIBILITY   |
|---|---|--|
|   | <p><b>Open Spaces/FUTS:</b> Through open space retention, reclamation and planned acquisition continue to preserve the natural environment and heritage for our residents and future generations. Use various means to protect open spaces. Obtain designated open spaces through land exchanges, fee title acquisitions, regulatory provisions, conservation easements, and development incentives.</p> <p><b>FY2006 Status Update:</b></p> <ol style="list-style-type: none"> <li>1. On-going development projects with FUTS components: <ul style="list-style-type: none"> <li>• San Francisco de Asis</li> <li>• Switzer Village</li> <li>• Elden Heights</li> <li>• Hospital Rim</li> <li>• Farmhouse Estates</li> <li>• Flagstaff Market Place/Auto Park</li> <li>• Pine Canyon</li> </ul> </li> </ol> <p><b>FY 2007</b></p> <ul style="list-style-type: none"> <li>• Identify open space for acquisition and begin process for acquisition</li> <li>• Complete Open Space Management Plan</li> </ul>   | <ul style="list-style-type: none"> <li>• Community Investment Division</li> <li>• Development Services Division</li> </ul>   |
|   | <p><b>FUTS:</b> Continue to work towards the completion of the FUTS primary spine and expand neighborhood links. Use of bond funds to purchase links.</p> <p>Primary Flagstaff Urban Trail Projects prioritized:</p> <ol style="list-style-type: none"> <li>1. Rio North Trail--Coconino Estates to Grand Canyon Trust</li> <li>2. Lone Tree Trail--Sinclair Wash Trail to Arroyo Park Trail</li> <li>3. Rio North Trail--Blue Willow to Hwy 190</li> <li>4. Lone Tree Trail--Butler to Sinclair Wash Trail</li> <li>5. Little A Trail--AZ Trail to Herold Ranch Rd</li> <li>6. Lake Mary Trail--Zuni Trail to JWP Trail</li> <li>7. Route 66 East Trail--Country Club Trail to The Mall Trail</li> <li>8. Bow &amp; Arrow Trail--Coconino Community College to AZ Trail</li> <li>9. Santa Fe West Trail--West Village to Walnut</li> <li>10. Santa Fe West Trail--Walnut to Rio North Trail</li> <li>11. JWP Trail--Lone Tree Trail to AZ Trail</li> <li>12. AZ Trail--Route 66 East Trail to Switzer Mesa Trail</li> </ol> <p><b>Secondary FUTS Projects prioritized:</b></p> <ol style="list-style-type: none"> <li>1. Hospital Rim Trail</li> <li>2. JWP Spur Trail--JWP Trail to Bow &amp; Arrow Trail</li> <li>3. Southside Rio Trail</li> <li>4. Switzer Mesa Trail--Turquoise to Ponderosa Park</li> </ol> <p><b>Furtherance of Goals FY2007:</b><br/>A FUTS staff group has been formed to develop a FUTS Master Plan with maps, trail segments; types of trail; miles completed; ownership; classification; design, right-of-way and construction status; funding allocations; and maintenance costs.</p> | <ul style="list-style-type: none"> <li>• Community Investment Division</li> <li>• Community Improvements Division</li> <li>• Development Services Division</li> <li>• Management Services Department</li> <li>• Public Works Department</li> </ul> |

| <p><b>GOAL STATEMENT:<br/>PLANNING FOR<br/>GROWTH</b></p>  | <p><b>FY 2007 AND FUTURE WORK PROGRAM STRATEGIES</b></p>  | <p><b>RESPONSIBILITY</b></p>  |
|--|---|---|
| <p>With a finite supply of land, we have to provide for the region’s growth in a manner that balances growth and conservation.</p> | <p><b>Annexation:</b> Through the development plan review process, regulatory controls, and creation and establishment of appropriate programs, master plans and incentives, and the pursuit of private/public partnerships, adhere to the policies in the Regional Plan. Proceed with land planning and annexation process as feasible, to include lands in Urban Growth Boundary limits</p> <p><b>FY2007</b></p> <ol style="list-style-type: none"> <li>1. Westside annexation plan</li> <li>2. Fort Valley annexation plan</li> </ol>  | <ul style="list-style-type: none"> <li>• Development Services Division</li> <li>• Community Investment Division</li> </ul>                          |
| <p>Delivery of public facilities and services more effectively.</p>  | <p><b>Public Facility Needs:</b> Finance public facility needs created by new development.</p> <p><b>FY2006 Status Update:</b></p> <ol style="list-style-type: none"> <li>1. Complete Impact Fee Study</li> <li>2. Begin Community Economic Sustainability Study</li> </ol> <p><b>FY2007:</b></p> <ol style="list-style-type: none"> <li>1. Adopt Impact Fees</li> <li>2. Complete Economic Study</li> <li>3. Development Fees</li> </ol>   | <ul style="list-style-type: none"> <li>○ Community Investment Division</li> <li>○ Development Services Division</li> </ul>                          |
|  | <p><b>Land Development Code:</b> Amend as needed for compliance with the Regional Plan, including development of Traditional Neighborhood Design guidelines, development criteria and standards for the Business Park Zoning District and Mixed use zoning, and additional lighting standards for Astronomical Zone.</p> <p><b>FY2006 Status Update:</b></p> <ol style="list-style-type: none"> <li>1. Participate in Housing Task Force</li> <li>2. Review opportunities and models for new Land Development Code</li> <li>3. Review Property Maintenance Code options.</li> </ol> <p><b>FY2007:</b></p> <ol style="list-style-type: none"> <li>1. Pursue development of Form Base Code to be phased in on all new developments</li> <li>2. Begin phase in of Form Based Code in older sections of City over the next four years.</li> </ol> | <ul style="list-style-type: none"> <li>• Community Investment Division</li> <li>• Development Services Division</li> <li>• City Attorney</li> </ul> |

| GOAL STATEMENT:<br>PLANNING FOR<br>GROWTH | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES  | RESPONSIBILITY  |
|---|---|---|
|   | <p><b>Multi-modal Transportation System:</b> Adhere to the policies in the Regional Plan that advance a multi-modal transportation system. Examine and evaluate existing transportation conditions and needs and future growth and development impacts on the city's transportation system.</p> <p><b>FY2006 Status Update:</b></p> <ol style="list-style-type: none"> <li>1. 5-year Transit Plan updated</li> <li>2. Fourth Street and East Flagstaff T.I. in or nearing construction phase</li> <li>3. West Street and Lone Tree Corridor studies completed.</li> </ol> <p><b>FY2007:</b><br/>Update the FMPO Regional Transportation Plan and Transportation Element of the Flagstaff Regional Land Use and Transportation Plan in collaboration with the Community Investment Division.</p> | <ul style="list-style-type: none"> <li>• Community Improvements Division</li> <li>• FMPO</li> </ul> |

**COLLABORATION**

| <b>GOAL STATEMENT<br/>COLLABORATION</b>   | <b>FY 2007 AND FUTURE WORK PROGRAM STRATEGIES</b>  | <b>RESPONSIBILITY</b>   |
|---|--|-------------------------|
| <p>Strengthen the community by strengthening partnerships with sovereign nations, public, non-profit and private agencies. Develop collaborative goals, through all levels of the organization, based upon common interests with these agencies to optimize the use of community resources and the delivery of services to the citizens of Flagstaff.</p> | <p><b>External relations:</b> Department Heads/Division Heads to seek and strengthen ties with other agencies to obtain benefits for the community from shared resources, ideas, and funding.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Developed new and strengthened existing relationships with State and Federal agencies including: ADWR, AOT, ADOT, ADEQ, ADOC, USFS, and Interior among others.</li> <li>• Developed community approach to affordable housing including non-profit agencies, NAU, State Housing Dept, Policy Task Force and Land Trust.</li> </ul>   | <p>CM, DCMs, DHs</p>    |
|   | <p><b>Internal relations:</b> Develop internal process for the review and discussion of potential interdepartmental, inter-division relationships to support collaborative efforts. Integrate the collaborative process into the routine work of the organization by developing processes and time frames during the budgetary and legislative cycles.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Implementation has resulted in successes including: bond program; organizational budget and structure development; economic development (including tourism and arts); redevelopment.</li> </ul>  | <p>CM, DCMs<br/>DHs</p> |
|   | <p><b>Policy development:</b><br/>Develop resources, through entities such as NAU, to identify strategies that address rural and regional issues on a broad scale. Encourage other agencies with common goals, such as other cities, Sovereign Nations, counties, and state and federal agencies to discuss and/or negotiate various issues using these strategies.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Development and annual update of Alliance Policy statement.</li> <li>• Continued pursuit of external funding for Rural Policy Institute; NAMWUA; Forest Partnership; workforce housing; workforce development; education.</li> </ul>                    | <p>CM, DCMs, DHs</p>    |
|   | <p><b>Alliance Work Program:</b><br/>Strengthen the commitment to the existing collaborative structure of the Alliance to obtain maximum benefits in areas such as telecommunications, health care for employees, after-school programs and community mediation services.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Strengthened relationships and refined objectives to update or develop policy positions; address broader community and regional issues; identified and analyzed service purchase and consolidation opportunities e.g. IS/IT; maintenance; Parks, Recreation and Open Space; criminal justice; workforce development; housing; telecom.</li> </ul> | <p>CM, DCMs, DHs</p>    |

Appendix F – Council Goals

| GOAL STATEMENT<br>COLLABORATION | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES  | RESPONSIBILITY    |
|---------------------------------|---|-------------------|
|                                 | <p><b>Municipal Policy Statement:</b><br/>Refine policy statement development for internal and external use.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Policy statement updated and adopted annually.</li> </ul>   | Council, CM, DCMs |
|                                 | <p><b>Relationships with regional partners:</b> Formalize meetings and development of policies, as well as clarify outcome expectations with regional partners.</p> <p><b>FY2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Continuing to develop relationships as the basis for future work program formalization: water; transportation; tourism, housing; forest health.</li> </ul> | CM, DCMs, DHs     |

**QUALITY OF LIFE**

| <b>GOAL STATEMENT<br/>QUALITY OF LIFE</b>  | <b>FY 2007 AND FUTURE WORK PROGRAM STRATEGIES</b>  | <b>RESPONSIBILITY</b>         |
|--|--|-------------------------------|
| <p>To enhance the quality of life for our community, we will assure comprehensive programs that allow for balanced resource development and protection, that include cultural components that cross generational boundaries and strive to create cost effective and proactive approaches to meet the social, physical and economic needs of our citizenry as we celebrate Flagstaff's heritage, diversity and vast aesthetic appeal.</p> <p>Consideration will be given to quality of life preservation and enhancement in all City actions and appropriations towards open space, neighborhood and historical preservation, land acquisition, facility and park development, environmental impact and controls, view shed retention and other community identified values in order to retain the essential and appropriate balance when considering issues related to growth and development and the related economic implications.</p> | <p><b>Environment:</b> Through funding from ADEQ we will implement a permanent household hazardous waste program, which will be available to residents year round. Expand the HHW program to include conditionally exempt small businesses.</p> <p><b>FY 2006 Status Update:</b><br/>The permanent facility opened in 2002 and has been a highly used program by the citizens of the City and Coconino County. Staff is recommending a new Small Business Waste Acceptance Program for Fiscal Year 07.</p>   | <p>Environmental Services</p> |
|  | <p><b>Environment:</b> Continue to support and expand our successful community wide recycling program and increase the number of businesses participating in the program. Increase the materials being diverted from the landfill by expanding the types of materials accepted for recycling as markets are developed and work to develop a municipal composting program.</p> <p><b>FY 2006 Status Update:</b><br/>The recycling program continues to grow with 32 new commercial recycling accounts in the last year. A new, long-term IGA was created with Northern Arizona University for collection of all of the campus's recyclables, which is a significant benefit to the City's recycling program. The Material Recovery Facility is processing an average of 1,250 tons of recyclables per month. Work continues on researching the financial feasibility of a municipal composting effort, including feedstock and marketability studies and operation options.</p> | <p>Environmental Services</p> |
| <p><b>Discussion:</b><br/>The City will incorporate the responsibility for enhancing quality of life as a component of every policy decision, appropriation, and governmental initiative and will always strive for a balance between growth, economic development and quality of life.</p>  | <p><b>Environment:</b> Continue to support and fund the fuel management efforts in cooperation with our regional partners.</p> <p><b>FY 2006 Status Update:</b><br/>See Public Safety</p>  | <p>Fire Department</p>        |

| GOAL STATEMENT<br>QUALITY OF LIFE  | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES   | RESPONSIBILITY                |
|--|--|-------------------------------|
| <p>We will recognize the diversity of our community both culturally and generationally and will strive to preserve the aesthetic values and well as our environment while promoting citizen awareness and participation.</p> | <p><b>Environment:</b> Continue to develop water resources in a manner consistent with long-term needs and resource sustainability as well as continue to develop and implement cooperative agreements with regional partners.</p> <p>Expand the use of reclaimed water resources throughout the community and continue to educate our community of the value of our water resources so that we can all make educated resource decisions.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Red Gap Ranch was purchased for \$7.9 million to serve as a source of water supply for the future.</li> <li>• The Arizona Water Infrastructure Finance Authority approved a loan to reimburse the City for the ranch with the condition that a conceptual schedule be submitted to identify the various phases of implementation of the ranch as a working water supply for Flagstaff.</li> <li>• A new rate structure to require growth to pay the debt service for the ranch has been developed and will be presented to the Council in summer of 2006.</li> <li>• The Rio de Flag well is in the process of being equipped to be a functional component of the Flagstaff system.</li> </ul> | <p>Utilities</p>              |
|  | <p><b>Neighborhoods:</b> Through the Clean &amp; Green Committee, we will continue to listen to our citizen representatives and develop on-the-ground neighborhood conservation efforts.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Another substantial increase in community participation was realized this fiscal year, with the addition of 14 new volunteer groups and organizations, bringing the total number of participating groups to 72. In addition, staff worked closely with several neighborhood groups and associations to promote City programs and develop revitalization efforts.</li> <li>• The Brownfield Land Recycling Program submitted several grant applications for Petroleum and Hazardous Substance assessments in the Rt. 66 and Southside area. In addition, strong relationships have been formed with various state and federal agencies associated with brownfield redevelopment.</li> </ul>  | <p>Environmental Services</p> |
|  | <p><b>Cultural Heritage:</b> Continue to serve as a repository for our community’s media based historic materials.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Staff continues to add historic materials to the library collections.</li> </ul>  | <p>Library</p>                |

| GOAL STATEMENT<br>QUALITY OF LIFE | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES  | RESPONSIBILITY     |
|-----------------------------------|---|--------------------|
|                                   | <p><b>Youth &amp; Elderly:</b> Continue to invest in out-of-school services and programs for children; preteen and teen service opportunities, skill development, and diversion, adaptive recreation programs, inclusive recreation programs, and services for senior citizens.</p> <p>Pursue multi-use/multi-generational recreation facility construction and program enhancement to meet citizen needs as established in the Master Plan and future bond initiatives.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Core programming continues with additional opportunities for partnerships explored to supplement offerings. Senior Olympics was added to Adult Center programming with a successful first event.</li> <li>• Implemented additional programs as allocated in FY06 budget.</li> <li>• Increased City’s funding of FACTS out-of-school program.</li> <li>• Secured Council approved funding for future expansion of the existing Adult Center.</li> <li>• Held public input phase for Aquatic/Multi-generational Center 2004 Bond Project(s), identifying facility amenities and location.</li> </ul> | Parks & Recreation |
|                                   | <p><b>Youth &amp; Elderly:</b> Continue to provide a wide variety of youth and elderly services and will continue to develop it technical, multi-media format of service delivery.</p> <p>Staff will work to secure grant funding to improve technology based information systems and programming.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Funding has been secured to provide after school and Family Learning and Literacy programs.</li> <li>• Outreach Services is developing a project to provide more services to the elderly.</li> </ul>   | Library            |

| GOAL STATEMENT<br>QUALITY OF LIFE | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES  | RESPONSIBILITY  |
|-----------------------------------|---|---|
|                                   | <p><b>Parks &amp; Recreation:</b> Through completion of the '96 bond initiative, residents and visitors benefit from parks and recreation facilities, which offer improved amenities that promote quality of life through physical, social, and instructional programming.</p> <p>Community-wide priorities will be reviewed and selected through Master Plan updates for development and inclusion in future bond initiatives.</p> <p><b>FY 2006 Status Update:</b><br/>1996 Bond Projects:</p> <ul style="list-style-type: none"> <li>• The Thorpe Park Improvement Project is the last of the 1996 Bond projects. Construction is slated to begin in spring/summer 2006.</li> <li>• Initiated construction of BMX Park. Facility is slated to open in spring 2006.</li> </ul> <p>2004 Bond Projects:</p> <ul style="list-style-type: none"> <li>• Aquatic Center</li> <li>• Multi-Generational Center</li> <li>• Lake Mary Park – Phase II land acquisition (and two other smaller parcels).</li> <li>• Consolidated Aquatic Center and Multi-Generational Center into one project per community input process.</li> </ul> | <p>Parks &amp; Recreation &amp; Community Development</p> |
|                                   | <p><b>Events and Image:</b> Continue to improve the quality of special events for residents and visitors compatible with the image and marketing of Flagstaff as a home and destination.</p> <p>Staff will continue teamwork with community partners to market and produce seasons of celebration, consistent with appropriate Flagstaff images.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Parks and Recreation continues to provide year-round special events through the Community Events program area. Received Arizona Parks and Recreation Association “Outstanding Special Event” award for Soar Into Spring event. This office also processes special event permits for outside organizations to provide special events.</li> <li>• Staff will continue to serve on image and event committee.</li> <li>• Banner display in the Downtown area continues to inform residents and visitors of upcoming community events.</li> </ul>  | <p>Parks &amp; Recreation<br/>CVB<br/>Planning</p>        |

| GOAL STATEMENT<br>QUALITY OF LIFE | FY 2007 AND FUTURE WORK PROGRAM STRATEGIES  | RESPONSIBILITY     |
|-----------------------------------|---|--------------------|
|                                   | <p><b>Parks and Recreation:</b> Continue to improve and protect outdoor public recreation resources through education and interaction with park and trail users.</p> <p>Explore the possibility of park ranger program through use of both paid staff and volunteers.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• Park Ranger programs would still be beneficial to meet this goal. No paid positions have been pursued due to budget conditions.</li> </ul>  | Parks & Recreation |
|                                   | <p><b>Parks and Recreation:</b> Through the use of available technology, manage botanical and archeological park resources.</p> <p>Expand use of GIS/GPS technology to create and maintain resource databases and adopt strategic management plans for tree, weed, and archaeological programs.</p> <p><b>FY 2006 Status Update:</b></p> <ul style="list-style-type: none"> <li>• All tree and weed inventory databases were lost in the hardware “crash”. Staffing levels are not such that regeneration of this information is possible at this time. FY07 budget proposal will address this need with request of a permanent Inventory Management Specialist.</li> </ul> | Parks & Recreation |

## GLOSSARY

**ACCRUAL BASIS OF ACCOUNTING** – A method of accounting in which revenues are recorded when measurable and earned, and expenditures (or expenses) are recognized when a good or service is used.

**ACTIVITY** – The purpose/activity or group of sub-activities within a function/program for which the city is responsible.

**ADA** – Americans with Disabilities Act

**ADOPTED BUDGET** – Formal action made by City Council that sets the spending limits for the fiscal year.

**ADOT** – Arizona Department of Transportation

**ALLOCATION** – Assigning one or more items of cost or revenue to one or more segments of an organization according to benefits received, responsibilities, or other logical measures of use.

**ANNUALIZED COSTS** – Operating costs incurred at annual rates for a portion of the prior fiscal year and which must be incurred at similar rates for the entire 12 months of the succeeding fiscal year.

**AOT** – Arizona State Office of Tourism

**APP** – Aquifer Protection Permit

**APPROPRIATION** – An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinance.

**ARB** – Accident Review Board – A committee comprised of City Employees from various departments designated to review employee accidents that result in property damage.

**ASSESSED VALUATION** – A valuation set upon real estate or other property by the County Assessor and the State as a basis for levying taxes. (Primary or Secondary)

**ATP** – Administrative/Technical Personnel

**AWWA** – American Water and Wastewater Association

**BALANCED BUDGET** – A budget in which current revenues equal current expenditures. The State or local government may set the legal requirements for a balanced budget.

**BBB** – Revenue derived from a two percent (2%) excise tax on hotels (bed), restaurants (board) and, bar receipts (booze), therefore, the "BBB" tax.

**BNSF** – Burlington Northern Santa Fe Railroad Company

**BOND** – A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specific rate.

**BOND FUNDS** – Are used to account for the purchase or construction of major capital facilities that are not financed by other funds. The use of bond funds is necessary to demonstrate that bond proceeds are spent only in amounts and for purposes authorized.

**BONDS PROCEEDS** – Debt issuances derived from the sale of bonds for the purpose of constructing major capital facilities.

**BUDGET** – A financial plan consisting of an estimate of proposed expenditures and their purposes for a given period and the proposed means of financing them.

**BUDGETARY CONTROL** – The control of management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues.

**BUDGET MESSAGE** – The opening section of the budget that provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and recommendations regarding the financial policy for the coming period.

**CAPITAL** – Those items valued over \$5,000 with a life expectancy of at least three years.

**CAPITAL IMPROVEMENT PROGRAM BUDGET** – The appropriation of bonds or operating revenue for improvements to city facilities including buildings, streets, water and sewer lines, and parks.

**CAPITAL OUTLAY** – Expenditures that result in the acquisition of or addition to fixed assets.

**CAPITAL PROJECT** – Any project having assets of significant value and having a useful life of three years or over. Capital projects include the purchase of land for design, engineering and construction of buildings and infrastructure items such as streets, bridges, drainage, street lighting, water system, etc. Capital projects are permanent attachments intended to remain to the land.

**CARRYFORWARD** – Any equipment, contractual, commodity, or capital project that has been previously approved by the Mayor and Council but for various reasons has not been implemented on schedule. Under the State laws and generally accepted accounting principals only those costs relating to work actually done

*Appendix G – Glossary*

on or before the last day of the fiscal year can be reflected on the financial statements of that fiscal year. To avoid having to charge the project costs estimated to be incurred in a subsequent fiscal year as an unbudgeted item for that year and, therefore, a violation of State budget law, such project and the associated projected costs are included in the subsequent year's budget.

**CCC** – Coconino Community College

**CDBG** – Community Development Block Grant – A source of grant funding for housing projects and other redevelopment projects.

**CIP** – Capital Improvement program

**COMMODITIES** – Expendable items used by operating or construction activities. Examples include office supplies, repair and replacement parts for equipment, fuels and lubricants, etc.

**COMMUNITY DEVELOPMENT DEPARTMENT** – Refers to the following group of Divisions: Community Development Administration, Building Inspection, Engineering, Planning, Urban Design, Housing and Community Services, Metropolitan Planning Organization, Arts & Science, Drainage and Transportation.

**CONTINGENCY** – Monies set aside as carryover to the following fiscal year, but which can be used to finance unforeseen expenditures of the various operating funds.

**CONTRACTUAL SERVICES** – Contracted service used for operating or construction activities. Examples include Legal Fees, Postage & Freight, Rents, Utilities, and Debt Service costs.

**COST CENTER** – An organizational budget and/or operating unit within each City division or department.

**CSR** – Customer Service Representative

**CTAC** – Citizens Transportation Advisory Committee

**DEBT SERVICE** – Payment of principal, interest, and related service charges on obligations resulting from the issuance of bonds.

**DEBT SERVICE FUND REQUIREMENTS** – The amounts of revenue that must be provided for a Debt Service Fund so that all principal and interest payments can be made in full on schedule.

**DEPARTMENT** – A major administrative division of the City that indicates overall management responsibility for an operation or group of related operations within a functional area.

**DOJ** – Department of Justice

**DPS** – Department of Public Safety – The enforcement division of the Arizona State Highway department.

**DRB** – Development Review Board

**EMT** - Executive Management Team - Team members selected from throughout the organization to participate in process improvement regarding organizational development.

**ENCUMBRANCES** – Obligations in the form of purchase orders, or contracts, which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbered when the obligations are paid or otherwise liquidated.

**ENTERPRISE FUND** – An Accounting entity established to account for the acquisition, operation and maintenance of governmental facilities, and services which are entirely or predominately self-supporting.

**ESTIMATED REVENUE** – The amount of projected revenue to be collected during the fiscal year.

**EXPENDITURE/EXPENSE** – This term refers to the outflow of funds paid for an asset obtained or goods and services obtained.

**EXPENDITURE LIMITATION** – The Arizona State Legislature imposed constitutional amendment that limits the annual expenditures of all municipalities. The Economic Estimates Commission based on population growth and inflation sets this limit.

**FAA** – Federal Aviation Administration

**FCP** – Flagstaff Cultural Partners – Created by the Alliance to establish local arts, cultural and science programs.

**FHWA** – Federal Highway Administration

**FISCAL YEAR** – A 12-month period of time to which the Annual Budget applies and at the end of which a governmental unit determines its financial position and the results of its operations. For the City of Flagstaff, it is July 1, through June 30.

**FIT** – Flagstaff Interagency Taskforce for Safe Housing – an interagency team with the purpose of identifying and correcting unsafe housing and living conditions in the Flagstaff area.

**FIXED ASSETS** – Assets of a long-term character that is intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

**FMLA** – Family Medical Leave Act

**FMPO** – Flagstaff Metropolitan Planning Organization

**FTA** – Federal Transit Administration

**FTE** – Full-Time Equivalent – A position, permanent or temporary, based on 2,080 hours per year. Part-time positions are converted for budget purposes to a decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part time employee working 520 hours would be equivalent to .25 of a full time position.

**FUND** – An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources, together with all related liabilities, for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations.

**FUND BALANCE** – Fund balance is the excess of assets over liabilities and reserves and is, therefore, also known as surplus funds.

**FUNDS CARRIED FORWARD** – The balance of operating funds brought forward from prior years.

**FUTS** – Flagstaff Urban Trail System – A multi-modal trail system used by pedestrian commuters, runners, bicyclists, hikers, and cross-country skiers. The interconnected trails link virtually every area of the city and will provide a continuous link to the Arizona Trail, connecting the borders of Mexico and Utah.

**GAAP** - Generally Accepted Accounting Principles – Financial accounting and reporting conventions, rules, and procedures that a business entity must use in preparing external financial statements.

**GENERAL ADMINISTRATION DEPARTMENT** – Refers to the following group of Divisions: City Manager, City Clerk, Capital Management, Law, City Court, Tourism Administration, and Visitor Services.

**GENERAL FUND** – A fund used to account for all general-purpose transactions of the City that do not require a special type of fund.

**GENERAL GOVERNMENT REVENUE** – The revenues of a government other than those derived from and retained in an enterprise fund.

**GENERAL OBLIGATION BONDS** – (G.O.) Bonds that finance a variety of public projects such as streets, buildings, and improvements. The repayment of these bonds is usually made from secondary property taxes.

**GOAL** – A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a specific time period.

**GRANT** – A contribution by the state or federal government or other agency to support a particular function.

**HURF** – Highway User Revenue Fund – Highway user revenues are a gasoline tax collected by the state and distributed to counties and cities based on the county of origin and population. These revenues are to be used for Highways and Streets maintenance and construction.

**INTERFUND TRANSFER** – Amounts transferred from one fund to another.

**JCEF** – Judicial Collection Enforcement Fund

**LEAF** – Law Enforcement Administrative Facility – A shared facility between Coconino County and the City of Flagstaff.

**LERRDS** – Corps of Engineers acronym for, “Lands, Easements, Rights-of-way, Relocations, and Disposals.”

**LMWTP** – Lake Mary Water Treatment Plant

**MANAGEMENT SERVICES DEPARTMENT** – Refers to the following group of Divisions: Human Resources, Information Services, Management Services Administration, Finance/Budget, Sales Tax & Licensing, and Library division.

**MIS** – Management Information Systems

**MODIFIED ACCRUAL ACCOUNTING** – Basis of accounting required for use by governmental funds in which revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred.

**MPO** – Metropolitan Planning Organization

**MRF** – Materials Recovery Facility – A processing operation to sort, process and resale bulk recyclable materials collected from residential and commercial customers. The facility opened in 1998 through a public-private partnership.

**NAPEBT** – Northern Arizona Public Employees Benefit Trust – A joint venture combining the purchasing power for health insurance; members include the City of Flagstaff, Coconino County, Flagstaff Unified School District, and Coconino Community College.

**NAU** – Northern Arizona University

**NFPA** – National Fire Protection Association

**NON-DEPARTMENTAL** – Refers to the following Divisions: Contributions to Other Agencies, G.O.B.-Debt Service, Council & Commissions, Non-Departmental,

**NON-DEPARTMENTAL** – Refers to the following Divisions: Contributions to Other Agencies, G.O.B.-Debt Service, Council & Commissions, Non-Departmental, Real Estate Proceeds, Firemen's Pension, Special Assessments and Transit.

**NON-RECURRING REVENUE** – Revenue which is a one-time receipt or which is not received on a continual basis.

**NPDES** – National Pollutant Discharge Elimination System

**NRFP** – North Reservoir Filtration Plant

**OBJECTIVES** – A statement of specific measurable outcomes that contribute toward accomplishing the departmental mission.

**OPERATING BUDGET** – A budget for general expenditures such as salaries, utilities, and supplies.

**OPERATING REVENUE** – Resources derived from recurring revenue sources used to finance recurring operating expenditures and pay-as-you-go capital expenditures.

**OSHA** – Occupational, Safety, and Health Administration

**OUTSIDE AGENCIES** – Refers to organizations, which are not associated with or can be allocated to any particular Department.

**PERFORMANCE INDICATORS** – Measures used to evaluate the performance of a program or activity. Effectiveness and efficiency are two types of "outcome" performance indicators.

**PERSONAL SERVICES** – All employers costs related to compensating employees of the City of Flagstaff, including employee fringe benefit costs such as City portion of retirement, social security, and health and industrial insurance.

**PERSONNEL SERVICES** – Expenditures for salaries, wages and fringe benefits of a government's employees.

**PFAC** – Ponderosa Fire Advisory Council

**PIT** – Project Implementation Team – A team comprised of City employees to ensure that the Capital Improvement Project process is expedient with the goal of getting work done in a timely manner and within the appropriated budget.

**POLICE DEPARTMENT** – Refers to both Police and Police Grant Divisions.

**PRIMARY TAXES & VALUES** – Primary or "limited" values are used to calculate primary property taxes which are collected to fund the maintenance and operation of school districts, community college districts, counties, cities and state government. Primary values and taxes are both "limited" as to how much they can increase if no changes have been made to the property.

**PROGRAM** – A group of related functions or activities performed by a division where there is a desire to budget and identify expenditures independently of other activities within the division.

**PROPERTY TAX LEVY** – The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance.

**PRV** – Pressure reduction valve

**PUBLIC WORKS DEPARTMENT** – Refers to the following Divisions: Airport, Facilities Maintenance, Cemetery, Mechanical Shop, Parks and Recreation, Environmental Services and Streets.

**PURCHASED CAPITAL OUTLAY** – Acquisition of any item of capital that is complete in and of itself when it is purchased.

**RECURRING REVENUES** – Revenue sources available on a constant basis to support operating and capital budgetary needs.

**RESERVES** – Account that records a portion of the fund equity that must be segregated for some future use and that is, therefore, not available for further appropriation or expenditure.

**RESTRICTED REVENUES** – Are legally restricted for a specific purpose by the Federal, State, and local government.

**RFP – REQUEST FOR PROPOSAL** – A request for an offer, by one party to another, based on a requested scope of services.

**RSL – REVISED SERVICE LEVEL** – A request for appropriation above the targeted base budget of the division. These may be for one-time purchases or ongoing expenditures.

**REVENUES** – Amounts estimated to be received from taxes and other sources during the fiscal year.

**SCADA** – Supervisory and Control Data Acquisition. This is a program used by the Utilities Department.

**SECONDARY PROPERTY TAXES** – Ad valorem taxes or special property assessments used to pay the principal and interest charges on any bonded

indebtedness or other lawful long-term obligation issued or incurred for a specific purpose by a municipality.

**SECONDARY TAXES & VALUES** – Secondary, or "full cash" values are synonymous to market values. They are used to calculate secondary property taxes to support voter-approved budget overrides, bond issues and other debt service, such as special districts.

**SID** – Special Improvement District

**SPECIAL REVENUE FUND** - Fund used to account for revenues from specific taxes or other earmarked revenue sources that by law are designated to finance particular functions or activities of government.

**STREET AND HIGHWAY BONDS** – Bonds that are secured by the City's Highway User Revenues and used for the construction of street, highway and related capital projects.

**STS** – Safe To School.

**TAX LEVY** – The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance.

**TAX RATE** – The amount of tax levied for each \$100 of assessed valuation.

**TEA-21** – Transportation Equity Act for the 21st Century

**URBAN DESIGN** – Refers to the following group of Divisions: Beautification-General Administration, Streetscape, Flagstaff Urban Trails System, Rehabilitation Projects, and Reserve-Beautification.

**USDOT** – United States Department of Transportation

**USFS** – United States Forest Service

**USGS** – United States Geological Survey

**UTILITIES DEPARTMENT** – Refers to the following Divisions: Betterments & Improvements Water District, Betterments & Improvements Water Production, Debt Service-Sewer, Debt Service-Water, Lake Mary Water Plant, Meter Reading, North Reservoirs, Utilities Administration, Wastewater Collection, Wastewater Collection Improvements, Wastewater Monitoring, Wastewater Treatment Improvements, Wastewater Treatment Plant, Water Distribution System, Woody Mountain Wells, and Reclaimed Plant.

**WIFA** – Water Infrastructure Financing Authority

**ACRONYMS**

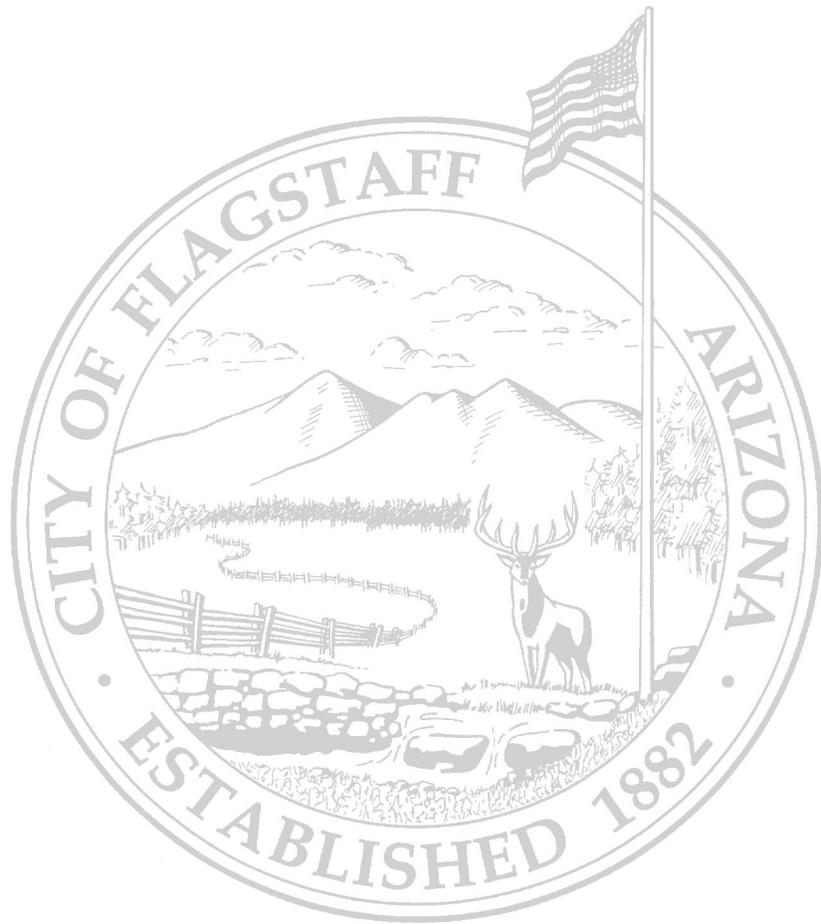
| <b><u>Acronym</u></b> | <b><u>Description</u></b>                         |
|-----------------------|---|
| <b>ADA</b>            | Americans with Disabilities Act                   |
| <b>ADEQ</b>           | Arizona Department of Environmental Quality       |
| <b>ADOC</b>           | Arizona Department of Commerce                    |
| <b>ADOT</b>           | Arizona Department of Transportation              |
| <b>ADWR</b>           | Arizona Department Water Resources                |
| <b>ALS</b>            | Advance Life Support                              |
| <b>AOC</b>            | Administrative Office of the Courts               |
| <b>AOT</b>            | Arizona State Office of Tourism                   |
| <b>APSES</b>          | Arizona Public Service Environmental Services     |
| <b>ARFF</b>           | Aircraft Rescue and Firefighting                  |
| <b>ARS</b>            | Arizona Revised Statutes                          |
| <b>ASE</b>            | Automotive Service Excellence                     |
| <b>ATP</b>            | Administrative/Technical Personnel                |
| <b>ATV</b>            | All Terrain Vehicle                               |
| <b>AWWA</b>           | American Water Works Association                  |
| <b>BBB</b>            | Bed, Board, and Booze Tax                         |
| <b>BLS</b>            | Basic Life Support                                |
| <b>BMP</b>            | Best Management Practices                         |
| <b>BNSF</b>           | Burlington Northern Santa Fe Railroad Company     |
| <b>CAD</b>            | Computer Assisted Drafting                        |
| <b>CAFR</b>           | Comprehension Annual Financial Report             |
| <b>CAPER</b>          | Consolidated Annual Performance Evaluation Report |
| <b>CCC</b>            | Coconino Community College                        |
| <b>CCCY</b>           | Coconino Coalition for Children and Youth         |
| <b>CCSO</b>           | Coconino County Sheriff's Office                  |
| <b>CD</b>             | Community Development                             |
| <b>CDBG</b>           | Community Development Block Grant                 |
| <b>C.E.R.T.</b>       | Citizen Emergency Response Teams                  |
| <b>CID</b>            | Capital Improvement Division                      |
| <b>CIP</b>            | Capital Improvement Plan/Projects                 |
| <b>CMS</b>            | Case Management System                            |
| <b>COL</b>            | Cost of Living                                    |
| <b>CPM</b>            | Center for Performance Measurement                |
| <b>CSI</b>            | Construction Specifications Institute             |
| <b>CSR</b>            | Customer Service Representative                   |
| <b>CTAC</b>           | Citizens Transportation Advisory Committee        |
| <b>CVB</b>            | Convention and Visitor Bureau                     |
| <b>CY</b>             | Calendar Year                                     |
| <b>DBA</b>            | Downtown Business Alliance                        |
| <b>DBM</b>            | Decision Band Method                              |
| <b>DES</b>            | Department of Economic Security                   |
| <b>DOJ</b>            | Department of Justice                             |
| <b>DPS</b>            | Department of Public Safety                       |
| <b>DRB</b>            | Development Review Board                          |
| <b>DUI</b>            | Driving Under the Influence                       |
| <b>EAC</b>            | Employee Advisory Committee                       |
| <b>EEO/AA</b>         | Equal Employment Opportunity / Affirmative Action |
| <b>EOC</b>            | Emergency Operations Center                       |
| <b>ERU</b>            | Equivalent Runoff Unit                            |
| <b>FAA</b>            | Federal Aviation Administration                   |
| <b>FAM</b>            | Familiarization Tour                              |
| <b>FARE</b>           | Fines/Fees and Restitution Enforcement Program    |
| <b>FBI</b>            | Federal Bureau of Investigation                   |
| <b>FCP</b>            | Flagstaff Cultural Partners                       |
| <b>FEMA</b>           | Federal Emergency Management Agency               |
| <b>FHA</b>            | Flagstaff Housing Authority                       |

**ACRONYMS**

| <b><u>Acronym</u></b> | <b><u>Description</u></b>                                   |
|-----------------------|---|
| <b>FHS</b>            | Flagstaff High School                                       |
| <b>FHWA</b>           | Federal Highway Administration                              |
| <b>FMLA</b>           | Family Medical Leave Act                                    |
| <b>FMPO</b>           | Flagstaff Metropolitan Planning Organization                |
| <b>FPD</b>            | Flagstaff Police Department                                 |
| <b>FRC</b>            | Flagstaff Recreation Center                                 |
| <b>FSO</b>            | Flagstaff Symphony Orchestra                                |
| <b>FTA</b>            | Federal Transit Administration                              |
| <b>FTE</b>            | Full-Time Equivalent  |
| <b>FUSD</b>           | Flagstaff Unified School District                           |
| <b>FUTS</b>           | Flagstaff Urban Trail System                                |
| <b>FY</b>             | Fiscal Year   |
| <b>GAAP</b>           | Generally Accepted Accounting Principles                    |
| <b>GASB</b>           | Government Accounting Standards Board                       |
| <b>GFEC</b>           | Greater Flagstaff Economic Council                          |
| <b>GFFP</b>           | Greater Flagstaff Forest Partnership                        |
| <b>GFOA</b>           | Government Finance Officers Association                     |
| <b>GIS</b>            | Geographic Information System                               |
| <b>GMBA</b>           | Government Management and Budgetary Accounting              |
| <b>GO</b>             | General Obligation  |
| <b>GREAT</b>          | Gang Resistance Education and Training                      |
| <b>GSA</b>            | Government Services Administration                          |
| <b>HASTC</b>          | High Altitude Sports Training Complex                       |
| <b>HHPPCC</b>         | Household Hazardous Products Collection Center              |
| <b>HIPAA</b>          | Health Insurance Portability and Accountability Act         |
| <b>HRM</b>            | Hotel/Restaurant Management                                 |
| <b>HUD</b>            | Housing and Urban Development                               |
| <b>HURF</b>           | Highway User Revenue Fund                                   |
| <b>ICMA</b>           | International City/County Management Association            |
| <b>IGA</b>            | Intergovernmental Agreement                                 |
| <b>ICSC</b>           | International Centre for Sustainable Cities                 |
| <b>IDIS</b>           | Integrated Disbursement Information System                  |
| <b>ISO</b>            | Insurance Service Organization                              |
| <b>ISTEA</b>          | Intermodal Surface Transportation Efficiency                |
| <b>IT</b>             | Information Technology                                      |
| <b>JCEF</b>           | Judicial Collection Enhancement Fund                        |
| <b>J.T.T.F.</b>       | Joint Terrorism Task Force                                  |
| <b>LAN</b>            | Local Area Network  |
| <b>LDC</b>            | Land Development Code                                       |
| <b>LEAF</b>           | Law Enforcement Administrative Facility                     |
| <b>LEED</b>           | Leadership in Energy and Environment Design                 |
| <b>LEPC</b>           | Local Emergency Planning Committee                          |
| <b>LERRDS</b>         | Lands, Easements, Rights-of-way, Relocations, and Disposals |
| <b>LLEBG</b>          | Local Law Enforcement Block Grant                           |
| <b>LMWTP</b>          | Lake Mary Water Treatment Plant                             |
| <b>LTAf</b>           | Local Transportation Assistance Funds                       |
| <b>LTCS</b>           | Lone Tree Corridor Study                                    |
| <b>MAS</b>            | Minimum Accounting Standards                                |
| <b>MDC</b>            | Mobile Data Computers                                       |
| <b>MFC</b>            | Municipal Facilities Corporation                            |
| <b>MIS</b>            | Management Information Systems                              |
| <b>MOU</b>            | Memorandum of Understanding                                 |
| <b>MPO</b>            | Metropolitan Planning Organization                          |
| <b>MRF</b>            | Materials Recovery Facility                                 |
| <b>MSW</b>            | Municipal Solid Waste                                       |
| <b>NACOG</b>          | Northern Arizona Council of Government                      |

**ACRONYMS**

| <b><u>Acronym</u></b> | <b><u>Description</u></b>                          |
|-----------------------|--|
| <b>NAMC</b>           | Northern Arizona Marketing Coalition               |
| <b>NAPEBT</b>         | Northern Arizona Public Employees Benefit Trust    |
| <b>NATBI</b>          | Northern Arizona Technology and Business Incubator |
| <b>NAU</b>            | Northern Arizona University                        |
| <b>NAUPD</b>          | Northern Arizona University Police Department      |
| <b>ND</b>             | Non-Departmental                                   |
| <b>NFPA</b>           | National Fire Protection Association               |
| <b>NPDES</b>          | National Pollutant Discharge Elimination System    |
| <b>NSF</b>            | Non Sufficient Funds                               |
| <b>O&amp;M</b>        | Operations and Maintenance                         |
| <b>OD</b>             | Organizational Development                         |
| <b>OMB</b>            | Office of Management and Budget                    |
| <b>OSHA</b>           | Occupational, Safety, and Health Administration    |
| <b>P&amp;Z</b>        | Planning and Zoning                                |
| <b>PC</b>             | Personal Computer                                  |
| <b>PFAC</b>           | Ponderosa Fire Advisory Council                    |
| <b>PFC</b>            | Passenger Facility Charge                          |
| <b>PIO</b>            | Public Information Officer                         |
| <b>POPTAC</b>         | Population Technical Advisory Committee            |
| <b>POTW</b>           | Public Owned Treatment Works                       |
| <b>PR</b>             | Public Relations                                   |
| <b>PW</b>             | Public Works                                       |
| <b>RFP</b>            | Request for Proposal                               |
| <b>ROW</b>            | Right of Way                                       |
| <b>RPI</b>            | Rural Policy Institute                             |
| <b>RSL</b>            | Revised Service Level                              |
| <b>SCADA</b>          | Supervisory and Control Data Acquisition           |
| <b>SID</b>            | Special Improvement District                       |
| <b>STS</b>            | Safe-to-School                                     |
| <b>SUV</b>            | Sport Utility Vehicle                              |
| <b>TCEF</b>           | Traffic Citation Progressive Fund                  |
| <b>TEA-21</b>         | Transportation Equity Act for the 21st Century     |
| <b>TIP</b>            | Tax Intercept Program                              |
| <b>TND</b>            | Traditional Neighborhood Design                    |
| <b>UCR</b>            | Uniform Crime Report                               |
| <b>USACE</b>          | United States Army Corp of Engineers               |
| <b>USDOT</b>          | United States Department of Transportation         |
| <b>USFS</b>           | United States Forest Service                       |
| <b>USGBC</b>          | United States Green Building Council               |
| <b>USGS</b>           | United States Geological Survey                    |
| <b>VC</b>             | Visitor Center                                     |
| <b>VRC</b>            | Vacancy Review Committee                           |
| <b>WIFA</b>           | Water Infrastructure Financing Authority           |
| <b>WMD</b>            | Weapons of Mass Destruction                        |





**City of Flagstaff**  
**211 West Aspen Avenue**  
**Flagstaff, Arizona 86001**

**[www.flagstaff.az.gov](http://www.flagstaff.az.gov)**